

## SUMMERFIELD METROPOLITAN DISTRICT NOS. 1-3

### 2022 ANNUAL REPORT

Pursuant to §32-1-207(3)(c) and the Consolidated Service Plan for Summerfield Metropolitan District Nos. 1-3 (collectively the “**Districts**”), the Districts are required to provide an annual report to the with regard to the following matters:

For the year ending December 31, 2022, the Districts make the following report:

#### **§32-1-207(3) Statutory Requirements**

**1. Boundary changes made.**

None.

**2. Intergovernmental Agreements entered into or terminated.**

None.

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

None.

**4. A summary of litigation involving public improvements owned by the Districts.**

To our actual knowledge, based on review of the court records in Weld County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts’ public improvements as of December 31, 2022.

**5. Status of the construction of public improvements by the Districts.**

No construction has occurred within the Districts.

**6. A list of facilities or improvements constructed by the Districts that were conveyed or dedicated to the county or municipality.**

No construction has occurred within the Districts.

**7. The final assessed valuation of the Districts as of December 31<sup>st</sup> of the reporting year.**

2022 Assessed Value District No. 1: \$70.00 with 0 debt service mills imposed in 2022, collection in 2023. The District imposes 57.220 mills for operations and maintenance, and a portion of such revenue is used to build a capital construction reserve, repay outstanding developer advances, if any, after covering current operation and administrative costs.

2022 Assessed Value District No. 2: \$106,518,760.00 with 0 debt service mills imposed in 2022, collection in 2023. The District imposes 57.220 mills for operations and maintenance, and a portion of such revenue is used to build a capital construction reserve, repay outstanding developer advances, pay obligations associated with IGA with Erie Corporate Center Metro District No. 2, after covering current operation and administrative costs.

2022 Assessed Value District No. 3: \$159,090.00 with 0 debt service mills imposed in 2022, collection in 2023. The District imposes 57.220 mills for operations and maintenance, and a portion of such revenue is used to build a capital construction reserve, repay outstanding developer advances, if any, after covering current operation and administrative costs.

**8. A copy of the current year's budget.**

A copy of the 2022 Budgets are attached hereto as **Exhibit A**

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

The 2022 Audit Exemption Applications for District Nos. 1 and 3 are attached hereto as **Exhibit B**. The 2022 Audit for District No. 2 will be provided when available.

**10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the Districts.**

None.

**11. Any inability of the Districts to pay their obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

None.

**Service Plan Requirements**

**1. A narrative summary of the progress of the District in implementing the Service Plan.**

The Districts were formed in 2013. Construction and financing of public infrastructure is expected to commence in the next few years. Preliminary design work is occurring on an as needed basis.

**2. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the fiscal year, as well as any capital improvements or projects proposed to be**

**undertaken in the five (5) years following the fiscal year.**

The Districts incurred capital expenditures in 2022 as shown on the attached budgets. In the next five (5) years, a majority of the public improvements contemplated in the Service Plan is projected to be undertaken as development demands.

- 3. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the fiscal year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the fiscal year, the amount of payment or retirement of existing indebtedness of the District in the fiscal year, the total assessed valuation of all taxable properties within the District as of January 1 of the fiscal year, and the current mill levy of the District pledged to debt retirement in the fiscal year.**

The 2022 Audit and Audit Exemptions depict the financial obligations of the Districts at the end of 2022.

The District has ongoing annual governmental administrative expenses.

- 4. A summary of residential and commercial development which has occurred within the District for the fiscal year.**

None.

- 5. A summary of all taxes, fees, charges and assessments imposed by the District as of January 1 of the fiscal year.**

Each District imposed a total of 57.220 mills in 2022 for collection in 2023 as reflected on the attached budgets. No fees, charges or assessments imposed in 2022.

- 6. The name, business address and telephone number of each member of the Board and the chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Boards for the report year.**

<i>Jon R. Lee</i>	<i>President</i>	<i>2500 Arapahoe Ave., #220, Boulder, CO 80302, (303) 442-2299</i>
<i>Jessica Brothers</i>	<i>Asst. Sec.</i>	<i>2500 Arapahoe Ave., #220, Boulder, CO 80302, (303) 442-2299</i>
<i>Vacancies</i>		

Regular meetings are scheduled for the 4<sup>th</sup> Thursday of April and October at 10:00 a.m. at 2500 Arapahoe Ave., #220, Boulder, CO 80302.

Chief Admin. Officer – None.

General Legal Counsel – White Bear Ankele Tanaka & Waldron; Attn: Sean Allen, Esq., 2154 E. Commons Avenue, Suite 2000, Centennial, CO 80122; 303-858-1800



**EXHIBIT A**  
**2022 Budgets**

**SUMMERFIELD METROPOLITAN DISTRICT NO. 1  
GOVERNMENTAL FUND**

	2020		2021			2022 BUDGET		
	Actual Final	Original Budget	Amended Budget (if applicable)	Projected Final	General Fund Budget	Debt Service Budget	Total Budget	
<b>REVENUE</b>								
Taxes								
Property	\$ 833	\$ 508	\$ 508	\$ 508	\$ 142	\$ -	\$ 142	
Specific ownership	40	30	24	24	7	-	7	
TIF	-	-	-	-	-	-	-	
Intergovernmental								
Transfers from Summerfield MD No. 2	40,000	60,000	50,000	50,000	25,000	-	25,000	
Transfers from Summerfield MD No. 3	7,500	7,500	-	-	-	-	-	
Investment income	8	-	-	-	-	-	-	
Other	-	-	0	0	-	-	-	
<b>Total revenue</b>	<b>\$ 48,381</b>	<b>\$ 68,038</b>	<b>\$ 50,532</b>	<b>\$ 50,532</b>	<b>\$ 25,149</b>	<b>\$ -</b>	<b>\$ 25,149</b>	
<b>EXPENDITURES</b>								
Current								
Treasurer fees	13	8	8	8	2	-	2	
Insurance	2,666	3,000	2,460	2,460	-	-	-	
Accounting	9,201	15,000	7,854	7,854	-	-	-	
Audit	2,550	2,800	2,650	2,650	-	-	-	
Legal	15,105	20,000	10,805	10,805	-	-	-	
Director fees	60	60	60	60	-	-	-	
Other	1,632	5,000	2,096	2,096	-	-	-	
<b>Subtotal current</b>	<b>31,227</b>	<b>45,868</b>	<b>25,932</b>	<b>25,932</b>	<b>2</b>	<b>-</b>	<b>2</b>	
Capital outlay								
Work in process	7,469	-	5,877	5,877	10,000	-	10,000	
<b>Subtotal capital outlay</b>	<b>7,469</b>	<b>-</b>	<b>5,877</b>	<b>5,877</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>	
Intergovernmental								
Transfers to Summerfield District No. 2	81,478	10,000	4,558	4,558	10,000	-	10,000	
Transfers to Summerfield District No. 3	5,884	9,300	4,026	4,026	7,800	-	7,800	
<b>Subtotal intergovernmental</b>	<b>87,362</b>	<b>19,300</b>	<b>8,584</b>	<b>8,584</b>	<b>17,800</b>	<b>-</b>	<b>17,800</b>	
Debt service								
Principal	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	
<b>Subtotal debt service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total expenditures</b>	<b>\$ 126,057</b>	<b>\$ 65,168</b>	<b>\$ 40,393</b>	<b>\$ 40,393</b>	<b>\$ 27,802</b>	<b>\$ -</b>	<b>\$ 27,802</b>	

<b>(DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<u>\$ (77,677)</u>	<u>\$ 2,871</u>	<u>\$ 10,138</u>	<u>\$ 10,138</u>	<u>\$ (2,653)</u>	<u>\$ -</u>	<u>\$ (2,653)</u>
<b>OTHER FINANCING SOURCES</b>							
Debt proceeds	-	-	-	-			
Developer advances received	75,000	-	-	-	-	-	-
Change in working capital	755	-	(5,133)	(5,133)	-	-	-
<b>Total other financing sources</b>	<u>\$ 75,755</u>	<u>\$ -</u>	<u>\$ (5,133)</u>	<u>\$ (5,133)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,921)	2,871	5,006	5,006	(2,653)	-	(2,653)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	11,834	9,913	9,913	9,913	14,918	-	14,918
<b>FUND BALANCE - END OF CURRENT PERIOD</b>	<u>\$ 9,913</u>	<u>\$ 12,783</u>	<u>\$ 14,918</u>	<u>\$ 14,918</u>	<u>\$ 12,265</u>	<u>\$ -</u>	<u>\$ 12,265</u>
	-	-	-	-			

<b>SUMMERFIELD MD NO. 1 2022 REVENUE PROJECTION</b>		<b>2021 AV, Collected in 2022</b>	
	<b>Certified Assessed Value</b>	<b>Total Mill Levy</b>	<b>Ad Valorem Revenue</b>
Vacant Land	-	55.663	-
Residential	-	55.663	-
Commercial	-	55.663	-
Agricultural	70	55.663	3.90
Oil & Gas	2,480	55.663	138.04
State Assessed	-	55.663	-
	<u>\$ 2,550</u>	<u>55.663</u>	<u>\$ 141.94</u>

<b>2022 MILL LEVY APPROPRIATION</b>				
	<b>Levy Appropriation</b>	<b>Ad Valorem Revenue</b>	<b>S.O. Revenue</b>	<b>Treasurer's Fees</b>
		<b>141.94</b>	<b>5.00%</b>	<b>1.50%</b>
General Fund	55.663	\$ 141.94	\$ 7.10	\$ 2.13
Debt Service	0.000	\$ -	\$ -	\$ -
	<u>55.663</u>	<u>\$ 141.94</u>	<u>\$ 7.10</u>	<u>\$ 2.13</u>

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2  
GOVERNMENTAL FUND**

	2020		2021			2022 BUDGET		
	Actual Final	Original Budget	Amended Budget (if applicable)	Projected Final	General Fund Budget	Debt Service Budget	Total Budget	
<b>REVENUES</b>								
Taxes								
Property	\$ 74,563	\$ 56,659	\$ 56,659	\$ 56,659	\$ 1,355,134	\$ -	\$ 1,355,134	
Specific ownership	3,591	3,400	2,612	2,612	67,757	-	67,757	
TIF	-	-	-	-	-	-	-	
Intergovernmental								
Transfers from Summerfield MD No. 1	81,478	10,000	4,558	4,558	10,000	-	10,000	
Transfers from Summerfield MD No. 3	-	-	-	-	-	-	-	
Investment income	981	-	40	40	-	-	-	
Other	-	-	-	-	-	-	-	
<b>Total revenue</b>	<b>\$ 160,614</b>	<b>\$ 70,058</b>	<b>\$ 63,869</b>	<b>\$ 63,869</b>	<b>\$ 1,432,891</b>	<b>\$ -</b>	<b>\$ 1,432,891</b>	
<b>EXPENDITURES</b>								
Current								
Treasurer fees	1,121	850	850	850	20,327	-	20,327	
Insurance	1,904	2,500	1,880	1,880	2,500	-	2,500	
Accounting	1,262	2,500	2,230	2,230	2,500	-	2,500	
Audit	1,550	2,500	1,600	1,600	2,500	-	2,500	
Legal	-	1,500	-	-	-	-	-	
Other	1,820	1,000	966	966	2,500	-	2,500	
<b>Subtotal current</b>	<b>7,658</b>	<b>10,850</b>	<b>7,526</b>	<b>7,526</b>	<b>30,327</b>	<b>-</b>	<b>27,827</b>	
Capital outlay								
Land	75,000	-	-	-	75,000	-	75,000	
<b>Subtotal capital outlay</b>	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,000</b>	<b>-</b>	<b>75,000</b>	
Intergovernmental								
Transfers to Summerfield MD No. 1	40,000	60,000	50,000	50,000	25,000	-	25,000	
Transfers to Summerfield MD No. 3	-	-	-	-	-	-	-	
<b>Subtotal intergovernmental</b>	<b>40,000</b>	<b>60,000</b>	<b>50,000</b>	<b>50,000</b>	<b>25,000</b>	<b>-</b>	<b>25,000</b>	
Debt service								
Principal	-	-	-	-	1,374,194	-	1,374,194	
Interest	-	-	-	-	-	-	-	
<b>Subtotal debt service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,374,194</b>	<b>-</b>	<b>1,374,194</b>	
<b>Total expenditures</b>	<b>\$ 122,658</b>	<b>\$ 70,850</b>	<b>\$ 57,526</b>	<b>\$ 57,526</b>	<b>\$ 1,504,521</b>	<b>\$ -</b>	<b>\$ 1,502,021</b>	

<b>(DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>\$ 37,956</b>	<b>\$ (792)</b>	<b>\$ 6,343</b>	<b>\$ 6,343</b>	<b>\$ (71,630)</b>	<b>\$ -</b>	<b>\$ (69,130)</b>
<b>OTHER FINANCING SOURCES</b>							
Debt proceeds	-	-	-	-	-	-	-
Developer advances received	-	-	-	-	-	-	-
Change in working capital	(65)	-	2,393	2,393	-	-	-
<b>Total other financing sources</b>	<b>\$ (65)</b>	<b>\$ -</b>	<b>\$ 2,393</b>	<b>\$ 2,393</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCE</b>	37,891	(792)	8,736	8,736	(71,630)	-	(69,130)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	130,467	168,358	168,358	168,358	177,095	-	177,095
<b>FUND BALANCE - END OF CURRENT PERIOD</b>	<b>\$ 168,358</b>	<b>\$ 167,567</b>	<b>\$ 177,095</b>	<b>\$ 177,095</b>	<b>\$ 105,464</b>	<b>\$ -</b>	<b>\$ 107,964</b>
	-	-	(0)	(0)			-

<b>SUMMERFIELD MD NO. 2 2022 REVENUE PROJECTION</b>		<b>2021 AV, Collected in 2022</b>	
	<b>Certified Assessed Value</b>	<b>Total Mill Levy</b>	<b>Ad Valorem Revenue</b>
Vacant Land	-	55.663	-
Industrial	116,340	55.663	6,475.83
Commercial	45,760	55.663	2,547.14
Agricultural	43,270	55.663	2,408.54
Oil & Gas	23,838,690	55.663	1,326,933.00
State Assessed	301,270	55.663	16,769.59
	<b>\$ 24,345,330</b>	<b>55.663</b>	<b>\$ 1,355,134.10</b>

<b>2022 MILL LEVY APPROPRIATION</b>				
	<b>Levy Appropriation</b>	<b>Ad Valorem Revenue</b>	<b>S.O. Revenue</b>	<b>Treasurer's Fees</b>
		<b>1,355,134.10</b>	<b>5.00%</b>	<b>1.50%</b>
General Fund	55.663	1,355,134.10	67,756.71	20,327.01
Debt Service	0.000	-	-	-
	<b>55.663</b>	<b>\$ 1,355,134.10</b>	<b>\$ 67,756.71</b>	<b>\$ 20,327.01</b>

**SUMMERFIELD METROPOLITAN DISTRICT NO. 3  
GOVERNMENTAL FUND**

	2020		2021			2022 BUDGET		
	Actual Final	Original Budget	Amended Budget (if applicable)	Projected Final	General Fund Budget	Debt Service Budget	Total Budget	
<b>REVENUES</b>								
Taxes								
Property	\$ 6,431	\$ 5,320	\$ 5,320	\$ 5,320	\$ 4,903	\$ -	\$ 4,903	
Specific ownership	305	319	251	251	245	-	245	
TIF	-	-	-	-	-	-	-	
Intergovernmental								
Transfers from Summerfield MD No. 1	5,884	9,300	4,026	4,026	7,800	-	7,800	
Transfers from Summerfield MD No. 2	-	-	-	-	-	-	-	
Investment income	55	-	2	2	-	-	-	
Other	-	-	-	-	-	-	-	
<b>Total revenue</b>	<b>\$ 12,675</b>	<b>\$ 14,939</b>	<b>\$ 9,599</b>	<b>\$ 9,599</b>	<b>\$ 12,949</b>	<b>\$ -</b>	<b>\$ 12,949</b>	
<b>EXPENDITURES</b>								
Current								
County Treasurer's fees	97	80	80	80	74	-	74	
Insurance	1,904	2,500	1,880	1,880	2,500	-	2,500	
Accounting	1,117	2,500	1,698	1,698	2,500	-	2,500	
Audit	1,550	1,800	1,600	1,600	1,800	-	1,800	
Legal	-	1,500	-	-	-	-	-	
Other	1,306	1,000	967	967	1,000	-	1,000	
<b>Subtotal current</b>	<b>5,973</b>	<b>9,380</b>	<b>6,225</b>	<b>6,225</b>	<b>7,874</b>	<b>-</b>	<b>7,874</b>	
Capital outlay								
Work in process	-	-	-	-	-	-	-	
<b>Subtotal capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Intergovernmental								
Transfers to Summerfield MD No. 1	7,500	7,500	-	-	-	-	-	
Transfers to Summerfield MD No. 2	-	-	-	-	-	-	-	
<b>Subtotal intergovernmental</b>	<b>7,500</b>	<b>7,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Debt service								
Principal	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	
<b>Subtotal debt service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total expenditures</b>	<b>\$ 13,473</b>	<b>\$ 16,880</b>	<b>\$ 6,225</b>	<b>\$ 6,225</b>	<b>\$ 7,874</b>	<b>\$ -</b>	<b>\$ 7,874</b>	

<b>(DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>\$ (798)</b>	<b>\$ (1,941)</b>	<b>\$ 3,374</b>	<b>\$ 3,374</b>	<b>\$ 5,075</b>	<b>\$ -</b>	<b>\$ 5,075</b>
<b>OTHER FINANCING SOURCES</b>							
Debt proceeds	-	-	-	-	-	-	-
Developer advances received	-	-	-	-	-	-	-
Change in working capital	(8)	-	2,143	2,143	-	-	-
<b>Total other financing sources</b>	<b>\$ (8)</b>	<b>\$ -</b>	<b>\$ 2,143</b>	<b>\$ 2,143</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCE</b>	(806)	(1,941)	5,517	5,517	5,075	-	5,075
<b>FUND BALANCE - BEGINNING OF YEAR</b>	8,571	7,765	7,765	7,765	13,282	-	13,282
<b>FUND BALANCE - END OF CURRENT PERIOD</b>	<b>\$ 7,765</b>	<b>\$ 5,824</b>	<b>\$ 13,282</b>	<b>\$ 13,282</b>	<b>\$ 18,357</b>	<b>\$ -</b>	<b>\$ 18,357</b>
	-	-	-	-			-

<b>SUMMERFIELD MD NO. 3 2022 REVENUE PROJECTION</b>		<b>2021 AV, Collected in 2022</b>		
	<b>Certified Assessed Value</b>	<b>Total Mill Levy</b>	<b>Ad Valorem Revenue</b>	
Vacant Land	-	55.663	-	-
Residential	-	55.663	-	-
Commercial	220	55.663	12.25	
Agricultural	2,020	55.663	112.44	
Oil & Gas	29,120	55.663	1,620.91	
State Assessed	56,730	55.663	3,157.76	
	<b>\$ 88,090</b>	<b>55.663</b>	<b>\$ 4,903.36</b>	

<b>2022 MILL LEVY APPROPRIATION</b>				
	<b>Levy Appropriation</b>	<b>Ad Valorem Revenue</b>	<b>S.O. Revenue</b>	<b>Treasurer's Fees</b>
		<b>4,903.36</b>	<b>5.00%</b>	<b>1.50%</b>
General Fund	55.663	4,903.36	245.17	73.55
Debt Service	0.000	-	-	-
	<b>55.663</b>	<b>\$ 4,903.36</b>	<b>\$ 245.17</b>	<b>\$ 73.55</b>

**EXHIBIT B**  
**2022 Audit Exemption Applications for District Nos. 1 & 3**



**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**



CPAs | CONSULTANTS | WEALTH ADVISORS

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Summerfield Metropolitan District No. 2  
Erie, Colorado

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of Summerfield Metropolitan District No. 2, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Summerfield Metropolitan District No. 2's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Summerfield Metropolitan District No. 2 as of December 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Summerfield Metropolitan District No. 2 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Summerfield Metropolitan District No. 2's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Summerfield Metropolitan District No. 2's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Summerfield Metropolitan District No. 2's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

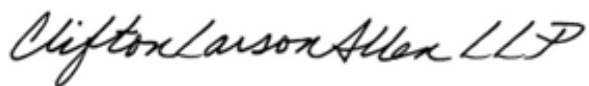
***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

Board of Directors  
Summerfield Metropolitan District No. 2

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Broomfield, Colorado  
April 23, 2023

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Investments	\$ 49,428
Due from County Treasurer	5,707
Prepaid Items	2,253
Property Taxes Receivable	6,095,003
Capital Loans Receivable from North Station No. 2	180,137
Construction in Progress	<u>1,141,993</u>
Total Assets	7,474,521
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	<u>6,095,003</u>
Total Deferred Inflows of Resources	<u>6,095,003</u>
<b>NET POSITION</b>	
Restricted for TABOR	43,234
Unrestricted	<u>1,336,284</u>
Total Net Position	<u><u>\$ 1,379,518</u></u>

*See accompanying Notes to Financial Statements.*

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**

Functions/Programs	Expenses	Program Revenue	Net Revenue (Expense) and Changes in Net Position Governmental Activities
<b>Governmental Activities:</b>			
General Government	\$ 70,227	\$ -	\$ (70,227)
Interest and Related Costs on Long-Term Debt	266,508	-	(266,508)
	<u>\$ 336,735</u>	<u>\$ -</u>	<u>(336,735)</u>
<b>General Revenues:</b>			
Property Taxes			1,354,280
Specific Ownership Taxes			80,204
Transfers from District No. 3			9,281
Investment Income			6,648
Total General Revenues			<u>1,450,413</u>
<b>Change in Net Position</b>			1,113,678
Net Position - Beginning of Year			<u>265,840</u>
<b>Net Position - End of Year</b>			<u><u>\$ 1,379,518</u></u>

See accompanying Notes to Financial Statements.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2  
BALANCE SHEET  
DECEMBER 31, 2022**

	General Fund
<b>ASSETS</b>	
Investments	\$ 49,428
Due from County Treasurer	5,707
Property Taxes Receivable	6,095,003
Prepaid Items	2,253
Capital Loans Receivable from North Station No. 2	<u>180,137</u>
Total Assets	<u><u>\$ 6,332,528</u></u>
<b>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	<u>\$ 6,095,003</u>
Total Deferred Inflows of Resources	6,095,003
<b>FUND BALANCE</b>	
Nonspendable	2,253
Restricted for TABOR	43,234
Unassigned	<u>192,038</u>
Total Fund Balance	<u><u>237,525</u></u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u><u>\$ 6,332,528</u></u>

See accompanying Notes to Financial Statements.



**SUMMERFIELD METROPOLITAN DISTRICT NO. 2  
RECONCILIATION OF THE BALANCE SHEET OF  
GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

Total Fund Balance - Total Governmental Fund	\$ 237,525
--	------------

Amounts reported for governmental activities in the statement of net position  
are different because:

Capital assets used in governmental activities are not financial resources  
and, therefore, are not reported in the fund balance sheet.

Construction in Progress	<u>1,141,993</u>
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Net Position of Governmental Activities	<u><u>\$ 1,379,518</u></u>
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*See accompanying Notes to Financial Statements.*

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – GOVERNMENTAL FUND  
YEAR ENDED DECEMBER 31, 2022**

	General Fund
<b>REVENUES</b>	
Property Taxes	\$ 1,354,280
Specific Ownership Taxes	80,204
Intergovernmental - Summerfield Metropolitan District No. 1	9,281
Investment Income	6,648
Total Revenues	<u>1,450,413</u>
<b>EXPENDITURES</b>	
Current:	
Intergovernmental - Summerfield Metropolitan District No. 1	37,500
County Treasurer's Fees	20,314
Audit	1,811
Accounting	4,539
Insurance	2,156
Miscellaneous	3,907
Debt Service:	
Interest	225,053
Loan Fees	41,455
Capital Outlay	1,066,993
Total Expenditures	<u>1,403,728</u>
<b>NET CHANGE IN FUND BALANCE</b>	46,685
Fund Balance - Beginning of Year	<u>190,840</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 237,525</u></u>

See accompanying Notes to Financial Statements.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO  
THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balance - Total Governmental Fund	\$	46,685
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Amounts reported for governmental activities in the statement of activities  
are different because:

Governmental fund reports capital outlays as expenditures. However, for  
government activities, those capital outlays other than noncapitalizable  
items are shown in the statement of net position at cost.

Capital Outlay		<u>1,066,993</u>
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Change in Net Position of Governmental Activities	\$	<u><u>1,113,678</u></u>
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**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1    DEFINITION OF REPORTING ENTITY**

Summerfield Metropolitan District No. 2 (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Consolidated Service Plan with Summerfield Metropolitan Districts No. 1 (District No. 1), Summerfield Metropolitan District No. 2 (the District), and Summerfield Metropolitan District No. 3 (District No. 3) approved by the Town of Erie on January 4, 2013, and amended on May 22, 2017. This first Amendment to the Consolidated Service Plan ("First Amendment") for Summerfield Metropolitan District Nos. 1, 2 and 3 is submitted by the Districts in accordance with the requirements of Section 32-1-207(2) of Title 32, Colorado Revised Statutes and Title 9, Chapter 4 of the Erie Municipal Code.

The operation and maintenance of all other services and facilities is anticipated to be provided by the Town of Erie and not by the District.

The District has no employees and all services are contracted.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity, including District No. 1, District No. 3, and the Town of Erie.

**NOTE 2    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. Governmental activities are normally supported by taxes.

The statement of net position reports all financial resources of the District. The difference between the assets, liabilities, and deferred outflows and inflows of resources of the District is reported as net position.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted as they are needed.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The District reports the following major governmental fund:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government.

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The adopted budgets for the General Fund and Debt Service fund have been consolidated and reflected as the General Fund Budget for financial reporting purposes.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year.

The taxes are payable by April or, if in equal installments, at the taxpayer's election in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes are recorded initially as deferred inflows of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available and collected.

**Fund Balance and Net Position**

Net position is reported in the governmental activities and is classified as restricted or unrestricted. Restrictions of net position represent amounts that are not available for appropriation or are legally restricted. As of December 31, 2022, fund balances of governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are not spendable in form or because they are legally or contractually required to be maintained intact. This includes amounts that are not expected to be converted to cash, for example, prepaid amounts.

Restricted – amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – amounts that are subject to a purpose constraint imposed by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified or rescinded only through resolutions approved by the Board.

Assigned – amounts that are subject to a purpose constraint that represents an intended use established by the District in its budget process. The purpose of the assignment must be narrower than the purpose of the General Fund.

Unassigned – represents the residual classification for the District's General Fund and could report a surplus or deficit.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Restricted Fund Balance**

Emergency Reserves have been provided for as required by Article X, Section 20 of the Constitution of the state of Colorado. In compliance with this requirement, \$43,234 of the General Fund balance has been restricted.

The District's order of fund balance spending policy is to apply expenditures against restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance. The District reserves the right to selectively spend unassigned fund balance.

**NOTE 3 INVESTMENTS**

Investments reflected on the statement of net position as of December 31, 2022 consist of the following:

Investments	\$ 49,428
Total Investments	<u>\$ 49,428</u>

**Investments**

The District has not adopted a formal investment policy; however, it follows state statutes regarding investments. The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less depending on the specific investment held unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. Revenue bonds of U.S. local government securities, corporate and bank securities and guaranteed investment contracts not purchased with bond proceeds are limited to maturities of three years or less.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 3 INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities and World Bank securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools \*
- Certain reverse repurchase agreements
- Certain corporate bonds
- Certain securities lending agreements

As of December 31, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amortized Cost</u>
Colorado Surplus Asset Fund Trust	Less than One Year	\$ 49,428
		<u>\$ 49,428</u>

**Colorado Surplus Asset Trust Fund**

As of December 31, 2022, the District had invested \$49,428 in the Colorado Surplus Asset Fund Trust, an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust is rated AAmmf by Fitch Ratings and is valued at amortized cost. Based on the valuation method, additional disclosures are not required under GASB Statement No. 72.

**NOTE 4 RELATED PARTY**

Three of the five members of the Board of Directors are employees and are associated with Bellock Construction Company, accountants for the District, and Community Development Group of Erie, Inc. (CDG of Erie, Inc.), the developer within the District. During 2022, District No. 1, District No. 3, and the District had the same board of directors.

**Accounting Services Agreement**

An accounting services contract was entered into with Bellock Construction Company on April 24, 2014. Under this amended agreement, accounting services are provided to the District at the annual hourly rates of Bellock Construction Company employees. During 2022, the District incurred accounting services fees in the amount of \$4,539.



**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 5 DISTRICT FACILITIES CONSTRUCTION AND SERVICE AGREEMENT  
(SERVICE CONTRACT)**

In order to implement the Service Plan, the District entered into an intergovernmental agreement with District No. 1 and District No. 3. The agreement shall remain in full force and effect until such time as each of the terms and conditions has been performed in their entirety or until the agreement is terminated by mutual written agreement of the Districts.

District No. 1 is to construct the facilities benefitting the three Districts and transfer them to the Town of Erie or the homeowners association (HOA) as required. The District and District No. 3 will, to the extent that they benefit, pay the capital costs and the service costs of operation and maintenance of such facilities (authorized service costs).

The District is required to fund, on an annual basis, the amount of actual service costs that it would be capable of funding through property tax revenue plus other fee revenue as determined in the annual budget. If the Districts disagree as to the amount to be paid, then the District must pay District No. 1 the amount set forth in the annual budget.

The Gallagher Amendment, first added to the Colorado Constitution in 1982, required a residential to non-residential property tax ratio of 45% to 55% and required the state legislature to adjust the residential assessment rate to maintain the required ratio. During fiscal year 2017, the Colorado legislature reduced the residential assessment ratio from 7.96% to 7.20% causing the property tax mill rate for general obligation bonds and service costs to increase from 50 mills to 55.275 mills. The residential assessment ratio decreased to 7.15% in 2019 causing the mills to increase to 55.663 in 2020. During fiscal year 2020, the Gallagher Amendment was repealed. While the residential assessment rate is set in statute at 7.15%, the Colorado legislature approved a temporary reduction to 6.765% for the 2023 and 2024 tax years.

**NOTE 6 COST SHARING INTERGOVERNMENTAL AGREEMENT**

On August 13, 2019, the District and North Station Metropolitan District No. 2 (previously Erie Corporate Metropolitan District No. 2), (NSMD No. 2) entered into an agreement in order to work together and coordinate their activities with respect to the financing of the cost of extinguishing certain surface rights associated with oil and gas sites and the acquisition of those sites for public recreational use and enjoyment to serve the development within their respective boundaries. NSMD No. 2 issued \$3,000,000 in bonds to fund the costs of the projects in the service plan, and the Districts recognized that the improvements being funded by the NSMD's issuance of bonds were deemed mutually beneficial to both Districts and their residents and taxpayers as a whole regardless of the physical location of any such improvements within the Districts.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 6 COST SHARING INTERGOVERNMENTAL AGREEMENT (CONTINUED)**

In order to facilitate the issuance of the bonds, the Districts have, by the terms of a Pledge Agreement dated July 1, 2019 between the Districts, pledged certain revenues and covenanted to take certain actions with respect to generating such revenues, for the benefit of the holders and the bonds. The Districts are liable for the repayment of the bonds based upon the amount of revenues generated from the imposition of a mill levy by the Districts.

Within the cost sharing agreement, the Districts have determined the allocation of each District's proportionate share of the shared improvement costs to be 45.8% allocated to the District and 54.2% allocated to the NSMD No. 2. The Districts acknowledge that the intent of the agreement is for each District to pay their proportionate share of the costs under the agreement, but the Districts recognize that if one of the Districts does not have the necessary funds to pay its relevant proportionate share, the District that possesses the funds will pay the remaining balance to make the full scheduled bond debt service payment. Any additional contribution will be recorded and the accounts will be updated to indicate the credits and deficiencies of each District relative to the agreed allocation percentage.

During 2022, the District repaid NSMD No. 2 for its proportionate share of the total costs incurred under the cost sharing intergovernmental agreement. As the costs were repaid during the year, NSMD No. 2 transferred \$1,066,993 of capital assets to the District. This represents the amount that NSMD No. 2 spent on behalf of the District to extinguish certain surface rights associated with oil and gas sites and acquire those sites for public recreational use.

The funds transferred to NSMD No. 2 are reflected as expenditures for the District. NSMD No. 2 paid these expenses in prior years and were reimbursed by the District in 2022. For the year ended December 31, 2022, the total expenditures related to this agreement were \$1,336,018. This includes the District's proportionate share of bank fees and charges of \$104, interest of \$225,053, loan fees of \$41,455, custodial fees of \$458, legal fees of \$1,955, and \$1,066,993 for the surface rights associated with oil and gas sites. There also was \$184 interest income recorded in 2022 related to this agreement. The District paid more than its allocated share of the costs in order to repay all debt within NSMD No. 2 during 2022. NSMD No. 2 will reimburse the District for the overage that the District paid, a total of \$180,137, reflected as capital loans receivable from NSMD No. 2.

**NOTE 7 CONSTRUCTION IN PROGRESS**

An analysis of the changes in construction in progress for the year ended December 31, 2022 follows:

	Balance at January 1, 2022	Additions	Reductions	Balance at December 31, 2022
Construction in Progress	\$ 75,000	\$ 1,066,993	\$ -	\$ 1,141,993
Total	<u>\$ 75,000</u>	<u>\$ 1,066,993</u>	<u>\$ -</u>	<u>\$ 1,141,993</u>

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 7 CONSTRUCTION IN PROGRESS (CONTINUED)**

On December 20, 2019, the District entered into a Relinquishment of Surface Rights Agreement with K.P. Kauffman Company, Inc. regarding specific oil and gas sites operated by KPK. The total consideration paid to KPK by the District for KPK's relinquishment, extinguishment, and restriction of its Surface Rights is \$75,000. The \$75,000 paid to KPK for surface rights was recorded as an addition to Construction in Progress and then reclassified to land upon completion of the real property transfer to the District.

As outlined in Note 6, the District repaid NSMD No. 2 for its proportionate share of the costs. As such, the NSMD No. 2 transferred \$1,066,993 of C.I.P. to the District during 2022. The transfer of C.I.P. to the District is reflected as additions during 2022.

**NOTE 8 INTERGOVERNMENTAL REVENUES AND EXPENDITURES**

The following intergovernmental revenue and expenditures occurred during fiscal year ended December 31, 2022:

	Summerfield Metropolitan District No. 1	Summerfield Metropolitan District No. 2	Summerfield Metropolitan District No. 3	Total Revenues
Summerfield Metropolitan:				
District No. 1	\$ -	\$ 37,500	\$ 13,000	\$ 50,500
District No. 2	9,281	-	-	9,281
District No. 3	6,921	-	-	6,921
Total Expenditures	<u>\$ 16,202</u>	<u>\$ 37,500</u>	<u>\$ 13,000</u>	<u>\$ 66,702</u>

**NOTE 9 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool) as of December 31, 2022. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage during the past three years.

The District pays annual premiums to the Pool for liability and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations, which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 5, 2013, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all annual District revenue without regard to any limitations under TABOR.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualification as an enterprise, will require judicial interpretation.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**SUMMERFIELD METROPOLITAN DISTRICT NO. 2**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET AND ACTUAL –**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 1,355,134	\$ 1,354,280	\$ (854)
Specific Ownership Taxes	67,757	80,204	12,447
Intergovernmental - Summerfield Metropolitan District No. 1	10,000	9,281	(719)
Net Investment Income	-	6,648	6,648
Total Revenues	<u>1,432,891</u>	<u>1,450,413</u>	<u>17,522</u>
<b>EXPENDITURES</b>			
Current:			
Intergovernmental - Summerfield Metropolitan District No. 1	25,000	37,500	(12,500)
County Treasurer's Fees	20,327	20,314	13
Audit	2,500	1,811	689
Accounting	-	4,539	(4,539)
Insurance	2,500	2,156	344
Miscellaneous	2,500	3,907	(1,407)
Debt Service:			
Principal	1,374,194	-	1,374,194
Interest	-	225,053	(225,053)
Loan Fees	-	41,455	(41,455)
Capital Outlay	75,000	1,066,993	(991,993)
Total Expenditures	<u>1,502,021</u>	<u>1,403,728</u>	<u>98,293</u>
<b>EXCESS REVENUES OVER EXPENDITURES</b>	(69,130)	46,685	115,815
Fund Balances - Beginning of Year	<u>177,095</u>	<u>190,840</u>	<u>13,745</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 107,965</u>	<u>\$ 237,525</u>	<u>\$ 129,560</u>



APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT  
ADDRESS

Summerfield Metropolitan District No. 1  
2500 Arapahoe Avenue, Suite 220  
Boulder, CO 80302

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

CONTACT PERSON  
PHONE  
EMAIL

Steve Rane  
303-442-4299  
steve@cdgcolorado.com

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

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

Shelby Clymer  
Accountant for the District  
CliftonLarsonAllen LLP  
8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111  
303-779-5710  
3/13/2023

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT

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

GOVERNMENTAL  
(MODIFIED ACCRUAL BASIS)



PROPRIETARY  
(CASH OR BUDGETARY BASIS)





## PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 142	
2-2	Specific ownership	\$ 8	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 6	
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	Transfer from Summerfield Metropolitan District No. 2	\$ 28,219	
2-23	Transfer from Summerfield Metropolitan District No. 3	\$ 6,079	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 34,454	

## PART 3 - EXPENDITURES/EXPENSES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 1,009	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 3,007	
3-7	Accounting and legal fees	\$ 19,707	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ 11,933	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):		
3-24	County Treasurer's Fees	\$ 2	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 35,658	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

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

Please answer the following questions by marking the appropriate boxes.

		Yes	No	
4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Current debt consists of Developer advances, and the District will pay it as funds become available.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Developer Advances will be paid as funds become available.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)			
	Outstanding at end of prior year*	Issued during year	Retired during year	
	Outstanding at year-end			
	General obligation bonds	\$ -	\$ -	\$ -
	Revenue bonds	\$ -	\$ -	\$ -
	Notes/Loans	\$ -	\$ -	\$ -
	Lease Liabilities	\$ -	\$ -	\$ -
	Developer Advances	\$ 75,000	\$ -	\$ 75,000
	Other (specify):	\$ -	\$ -	\$ -
	TOTAL	\$ 75,000	\$ -	\$ 75,000

\*must tie to prior year ending balance

		Yes	No
4-5	Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? Date the debt was authorized:		
	\$ 350,000,000.00 11/5/2013		
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much?		
	\$ -		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding?		
	\$ -		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is being leased?		
	What is the original date of the lease?		
	Number of years of lease?		
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the annual lease payments?		
	\$ -		

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

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

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ 17	
5-2	Certificates of deposit	\$ -	
	<b>Total Cash Deposits</b>		\$ 17
	Investments (if investment is a mutual fund, please list underlying investments):		
	CSAFE	\$ 356	
5-3		\$ -	
		\$ -	
		\$ -	
	<b>Total Investments</b>		\$ 356
	<b>Total Cash and Investments</b>		\$ 373

Please answer the following questions by marking in the appropriate boxes

		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no, MUST use this space to provide any explanations:

**PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS**

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

Yes

No

6-1 Does the entity have capital assets?

☒☐

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

☒☐

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

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ 76,363	\$ 11,933	\$ -	\$ 88,296
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	\$ 76,363	\$ 11,933	\$ -	\$ 88,296

Please use this space to provide any explanations or comments:

**PART 7 - PENSION INFORMATION**

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

Yes

No

7-1 Does the entity have an "old hire" firefighters' pension plan?

☐☒

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

☐☒

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):

\$ -

State contribution amount:

\$ -

Other (gifts, donations, etc.):

\$ -

**TOTAL**

\$ -

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

\$ -

Please use this space to provide any explanations or comments:

**PART 8 - BUDGET INFORMATION**

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

Yes

No

N/A

8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?

☒☐☐

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

☒☐☐

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund (Amended)	\$ 51,861

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

Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? <small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Date of formation: <input type="text"/>		
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Please list the NEW name & PRIOR name: <input type="text"/>		
10-3	Is the entity a metropolitan district? Please indicate what services the entity provides: <input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-4	Does the entity have an agreement with another government to provide services? If yes: List the name of the other governmental entity and the services provided: <input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-5	Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during If yes: Date Filed: <input type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10-6	Does the entity have a certified Mill Levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	Please provide the following <u>mills</u> levied for the year reported (do not report \$ amounts):		
	Bond Redemption mills	<input type="text" value="-"/>	
	General/Other mills	<input type="text" value="55.663"/>	
	Total mills	<input type="text" value="55.663"/>	

Please use this space to provide any explanations or comments:

10-3: Water, streets, parks and recreation, sanitary and storm sewer, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security.

10-4: Summerfield Metropolitan District Nos. 2 and 3. The Districts will collectively finance the public improvements of the Summerfield development. District covenants with the Town of Erie.

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

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

Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below. Print Board Member's Name		A <u>MAJORITY</u> of the members of the governing body must complete and sign in the column below.
Board Member 1	Jon R. Lee	<p>I Jon R. Lee, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____  Date: 3/29/2023  My term Expires: May 2023</p> <p><small>DocuSigned by: Jon R. Lee 0D56EAE02B04E7</small></p>
Board Member 2	Jessica Brothers	<p>I Jessica Brothers, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____  Date: 3/29/2023  My term Expires: May 2025</p> <p><small>DocuSigned by: Jessica Brothers 5E2B40592AE4AE9</small></p>
Board Member 3	Steve Rane	<p>I Steve Rane, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____  Date: 3/29/2023  My term Expires: May 2025</p> <p><small>DocuSigned by: Steve Rane C2087EDF6DA34ED</small></p>
Board Member 4		<p>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.</p> <p>Signed _____  Date: _____  My term Expires: _____</p>
Board Member 5		<p>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.</p> <p>Signed _____  Date: _____  My term Expires: _____</p>
Board Member 6		<p>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.</p> <p>Signed _____  Date: _____  My term Expires: _____</p>
Board Member 7		<p>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.</p> <p>Signed _____  Date: _____  My term Expires: _____</p>



CliftonLarsonAllen LLP  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111  
phone 303-779-5710 fax 303-779-0348  
CLAconnect.com

## Accountant's Compilation Report

Board of Directors  
Summerfield Metropolitan District No. 1  
Weld County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Summerfield Metropolitan District No. 1 as of and for the year ended December 31, 2022, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

Greenwood Village, Colorado  
March 13, 2023



**Certificate Of Completion**

Envelope Id: 92475A88C161424BA02C54AE31651402

Status: Completed

Subject: Complete with DocuSign: Summerfield Metropolitan District No. 1 -2022 Audit Exemption.pdf

Client Name: Summerfield Metropolitan District No. 1

Client Number: A361381

Source Envelope:

Document Pages: 8

Signatures: 3

Envelope Originator:

Certificate Pages: 5

Initials: 0

Shelby Johnson

AutoNav: Enabled

220 S 6th St Ste 300

Envelopeld Stamping: Enabled

Minneapolis, MN 55402-1418

Time Zone: (UTC-06:00) Central Time (US &amp; Canada)

shelby.johnson@claconnect.com

IP Address: 50.169.146.162

**Record Tracking**

Status: Original

Holder: Shelby Johnson

Location: DocuSign

3/29/2023 1:05:19 PM

shelby.johnson@claconnect.com

**Signer Events**

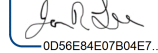
Jon R. Lee

jonrlee@cdgcolorado.com

Authorized representative

Security Level: Email, Account Authentication  
(None)**Signature**

DocuSigned by:



0D58E84E07B04E7...

Signature Adoption: Uploaded Signature Image

Using IP Address: 65.155.157.50

**Timestamp**

Sent: 3/29/2023 1:07:30 PM

Viewed: 3/29/2023 1:48:51 PM

Signed: 3/29/2023 1:49:00 PM

**Electronic Record and Signature Disclosure:**

Accepted: 3/29/2023 1:48:51 PM

ID: feee48d6-e05d-454b-b280-e5d081d636c1

Jessica Brothers

jessica@cdgcolorado.com

Security Level: Email, Account Authentication  
(None)

DocuSigned by:



5E2846592AEA4E9...

Signature Adoption: Uploaded Signature Image

Using IP Address: 73.95.141.221

Sent: 3/29/2023 1:49:02 PM

Viewed: 3/29/2023 1:52:03 PM

Signed: 3/29/2023 1:53:33 PM

**Electronic Record and Signature Disclosure:**

Accepted: 3/29/2023 1:52:03 PM

ID: 3214c5bd-5456-49c8-92a0-c65bd17b6940

Steve Rane

steve@cdgcolorado.com

Secretary/Treasurer

Security Level: Email, Account Authentication  
(None)

DocuSigned by:



C2087EDF6DA34ED...

Signature Adoption: Pre-selected Style

Using IP Address: 65.155.157.50

Sent: 3/29/2023 1:53:35 PM

Viewed: 3/29/2023 2:11:04 PM

Signed: 3/29/2023 2:11:09 PM

**Electronic Record and Signature Disclosure:**

Accepted: 3/29/2023 2:11:04 PM

ID: c775e69b-5381-4127-8aa4-c8474cfab803

**In Person Signer Events****Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp**



Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/29/2023 1:07:31 PM
Certified Delivered	Security Checked	3/29/2023 2:11:04 PM
Signing Complete	Security Checked	3/29/2023 2:11:09 PM
Completed	Security Checked	3/29/2023 2:11:09 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

#### **How to contact CliftonLarsonAllen LLP:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com)

#### **To advise CliftonLarsonAllen LLP of your new email address**

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com) and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

#### **To request paper copies from CliftonLarsonAllen LLP**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com) and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

#### **To withdraw your consent with CliftonLarsonAllen LLP**

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com) and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

### **Required hardware and software**

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

### **Acknowledging your access and consent to receive and sign documents electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT  
ADDRESS

Summerfield Metropolitan District No. 3  
2500 Arapahoe Avenue, Suite 220  
Boulder, CO 80302

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

CONTACT PERSON  
PHONE  
EMAIL

Steve Rane  
303-442-4299  
steve@cdgcolorado.com

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

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

Shelby Clymer  
Accountant for the District  
CliftonLarsonAllen LLP  
8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111  
303-779-5710  
3/13/2023

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT

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

GOVERNMENTAL  
(MODIFIED ACCRUAL BASIS)



PROPRIETARY  
(CASH OR BUDGETARY BASIS)



## PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 4,903	
2-2	Specific ownership	\$ 290	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 19	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 5,212	

## PART 3 - EXPENDITURES/EXPENSES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 639	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 2,156	
3-7	Accounting and legal fees	\$ 4,101	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):		
3-24	Country Treasurer's Fees	\$ 74	
3-25	Transfer to Summerfield Metropolitan District No. 1	\$ 6,079	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 13,049	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

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

Please answer the following questions by marking the appropriate boxes.

		Yes	No																																								
4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>																																								
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A. The District has no debt.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																																								
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A. The District has no debt.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																																								
4-4	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">           Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)         </div> <div style="width: 50%; text-align: center;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Outstanding at end of prior year*</th> <th>Issued during year</th> <th>Retired during year</th> <th>Outstanding at year-end</th> </tr> </thead> <tbody> <tr> <td>General obligation bonds</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Revenue bonds</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Notes/Loans</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Lease Liabilities</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Developer Advances</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Other (specify):</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table> </div> </div>		Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end	General obligation bonds	\$ -	\$ -	\$ -	\$ -	Revenue bonds	\$ -	\$ -	\$ -	\$ -	Notes/Loans	\$ -	\$ -	\$ -	\$ -	Lease Liabilities	\$ -	\$ -	\$ -	\$ -	Developer Advances	\$ -	\$ -	\$ -	\$ -	Other (specify):	\$ -	\$ -	\$ -	\$ -	TOTAL	\$ -	\$ -	\$ -	\$ -		
	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end																																							
General obligation bonds	\$ -	\$ -	\$ -	\$ -																																							
Revenue bonds	\$ -	\$ -	\$ -	\$ -																																							
Notes/Loans	\$ -	\$ -	\$ -	\$ -																																							
Lease Liabilities	\$ -	\$ -	\$ -	\$ -																																							
Developer Advances	\$ -	\$ -	\$ -	\$ -																																							
Other (specify):	\$ -	\$ -	\$ -	\$ -																																							
TOTAL	\$ -	\$ -	\$ -	\$ -																																							

\*must tie to prior year ending balance

		Yes	No				
4-5	Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>				
If yes:	How much? Date the debt was authorized:						
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"></div> <div style="width: 50%; text-align: center;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">\$</td> <td style="width: 90%;">350,000,000.00</td> </tr> <tr> <td></td> <td>11/5/2013</td> </tr> </table> </div> </div>	\$	350,000,000.00		11/5/2013		
\$	350,000,000.00						
	11/5/2013						
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>				
If yes:	How much?						
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"></div> <div style="width: 50%; text-align: center;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">\$</td> <td style="width: 90%;">-</td> </tr> </table> </div> </div>	\$	-				
\$	-						
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>				
If yes:	What is the amount outstanding?						
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"></div> <div style="width: 50%; text-align: center;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">\$</td> <td style="width: 90%;">-</td> </tr> </table> </div> </div>	\$	-				
\$	-						
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>				
If yes:	What is being leased?						
	What is the original date of the lease?						
	Number of years of lease?						
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>				
	What are the annual lease payments?						
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"></div> <div style="width: 50%; text-align: center;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">\$</td> <td style="width: 90%;">-</td> </tr> </table> </div> </div>	\$	-				
\$	-						

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

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

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2	Certificates of deposit	\$ -	
	<b>Total Cash Deposits</b>		\$ -
	Investments (if investment is a mutual fund, please list underlying investments):		
	CSAFE	\$ 204	
5-3		\$ -	
		\$ -	
		\$ -	
	<b>Total Investments</b>		\$ 204
	<b>Total Cash and Investments</b>		\$ 204

Please answer the following questions by marking in the appropriate boxes

		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If no, MUST use this space to provide any explanations:

## PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

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

Yes

No

6-1 Does the entity have capital assets?

☐☒

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

☐☒

N/A. The District has no capital assets.

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

Please use this space to provide any explanations or comments:

## PART 7 - PENSION INFORMATION

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

Yes

No

7-1 Does the entity have an "old hire" firefighters' pension plan?

☐☒

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

☐☒

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):

\$ -

State contribution amount:

\$ -

Other (gifts, donations, etc.):

\$ -

**TOTAL**

\$ -

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

\$ -

Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

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

Yes

No

N/A

8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?

☒☐☐

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

☒☐☐

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund (Amended)	\$ 19,969



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

Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? <small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Date of formation: <input type="text"/>		
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Please list the NEW name & PRIOR name: <input type="text"/>		
10-3	Is the entity a metropolitan district? Please indicate what services the entity provides: <input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-4	Does the entity have an agreement with another government to provide services? If yes: List the name of the other governmental entity and the services provided: <input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-5	Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during If yes: Date Filed: <input type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10-6	Does the entity have a certified Mill Levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	Please provide the following <u>mills</u> levied for the year reported (do not report \$ amounts):		
	Bond Redemption mills	<input type="text" value="-"/>	
	General/Other mills	<input type="text" value="55.663"/>	
	Total mills	<input type="text" value="55.663"/>	

Please use this space to provide any explanations or comments:

10-3: Water, streets, parks and recreation, sanitary and storm sewer, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security.

10-4: Summerfield Metropolitan District Nos. 1 and 2. The Districts will collectively finance the public improvements of the Summerfield development. District covenants with the Town of Erie.

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

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




## Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below. Print Board Member's Name		A <u>MAJORITY</u> of the members of the governing body must complete and sign in the column below.
Board Member 1	Jon R. Lee	<p>I Jon R. Lee, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____  <small>DocuSigned by:</small>    <small>0D56E8AE07B04E7</small></p> <p>Date: 3/29/2023</p> <p>My term Expires: May 2023</p>
Board Member 2	Jessica Brothers	<p>I Jessica Brothers, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____  <small>DocuSigned by:</small>    <small>5E2B48592AE4AE9</small></p> <p>Date: 3/29/2023</p> <p>My term Expires: May 2025</p>
Board Member 3	Steve Rane	<p>I Steve Rane, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____  <small>DocuSigned by:</small>    <small>C2087EDF6DA34ED</small></p> <p>Date: 3/29/2023</p> <p>My term Expires: May 2025</p>
Board Member 4		<p>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.</p> <p>Signed _____</p> <p>Date: _____</p> <p>My term Expires: _____</p>
Board Member 5		<p>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.</p> <p>Signed _____</p> <p>Date: _____</p> <p>My term Expires: _____</p>
Board Member 6		<p>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.</p> <p>Signed _____</p> <p>Date: _____</p> <p>My term Expires: _____</p>
Board Member 7		<p>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.</p> <p>Signed _____</p> <p>Date: _____</p> <p>My term Expires: _____</p>



CliftonLarsonAllen LLP  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111  
phone 303-779-5710 fax 303-779-0348  
CLAAconnect.com

## Accountant's Compilation Report

Board of Directors  
Summerfield Metropolitan District No. 3  
Weld County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Summerfield Metropolitan District No. 3 as of and for the year ended December 31, 2022, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

Greenwood Village, Colorado  
March 13, 2023

**Certificate Of Completion**

Envelope Id: D40F7C908A9848B787240B8607256052

Status: Completed

Subject: Complete with DocuSign: Summerfield Metropolitan District No. 3 -2022 Audit Exemption.pdf

Client Name: Summerfield Metropolitan District No. 3

Client Number: A361379

Source Envelope:

Document Pages: 8

Signatures: 3

Envelope Originator:

Certificate Pages: 5

Initials: 0

Shelby Johnson

AutoNav: Enabled

220 S 6th St Ste 300

Envelopeld Stamping: Enabled

Minneapolis, MN 55402-1418

Time Zone: (UTC-06:00) Central Time (US &amp; Canada)

shelby.johnson@claconnect.com

IP Address: 50.169.146.162

**Record Tracking**

Status: Original

Holder: Shelby Johnson

Location: DocuSign

3/29/2023 1:09:04 PM

shelby.johnson@claconnect.com

**Signer Events**

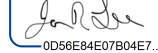
Jon R. Lee

jonrlee@cdgcolorado.com

Authorized representative

Security Level: Email, Account Authentication  
(None)**Signature**

DocuSigned by:



0D58E84E07B04E7...

Signature Adoption: Uploaded Signature Image

Using IP Address: 65.155.157.50

**Timestamp**

Sent: 3/29/2023 1:10:56 PM

Viewed: 3/29/2023 1:49:39 PM

Signed: 3/29/2023 1:49:49 PM

**Electronic Record and Signature Disclosure:**

Accepted: 3/29/2023 1:49:39 PM

ID: ee3c9f06-e6ca-4bd3-a2f0-3acecc3adff6

Jessica Brothers

jessica@cdgcolorado.com

Security Level: Email, Account Authentication  
(None)

DocuSigned by:



5E2846592AEA4E9...

Signature Adoption: Uploaded Signature Image

Using IP Address: 73.95.141.221

Sent: 3/29/2023 1:49:51 PM

Viewed: 3/29/2023 1:53:59 PM

Signed: 3/29/2023 1:54:36 PM

**Electronic Record and Signature Disclosure:**

Accepted: 3/29/2023 1:53:59 PM

ID: 3392cc75-d935-4931-a7bd-3eb807edf2dc

Steve Rane

steve@cdgcolorado.com

Secretary/Treasurer

Security Level: Email, Account Authentication  
(None)

DocuSigned by:



C20B7EDF6DA34ED...

Signature Adoption: Pre-selected Style

Using IP Address: 65.155.157.50

Sent: 3/29/2023 1:54:38 PM

Viewed: 3/29/2023 2:11:25 PM

Signed: 3/29/2023 2:11:27 PM

**Electronic Record and Signature Disclosure:**

Accepted: 3/29/2023 2:11:25 PM

ID: c60129ed-cd99-4a47-8eba-071f1e5ff706

**In Person Signer Events****Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp**

Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/29/2023 1:10:57 PM
Certified Delivered	Security Checked	3/29/2023 2:11:25 PM
Signing Complete	Security Checked	3/29/2023 2:11:27 PM
Completed	Security Checked	3/29/2023 2:11:27 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

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