

# Sunlight Metropolitan District

NOTICE IS HEREBY GIVEN that a Special meeting of the Board of Directors of the Sunlight Metropolitan District, Routt County, Colorado, has been scheduled to take place at Colorado Group Realty, 509 Lincoln Ave, Steamboat Springs, CO on **Thursday, March 8, 2018** beginning at **8:30 am, MST**.

**Call in Number 1-800-882-3610**  
**Passcode: 6551237**

## AGENDA

1. Call to Order
2. Declaration of Quorum/Disclosure of Potential Conflicts of Interest
3. Consideration of Agenda
4. Consideration of Minutes
  - a. November 15, 2017 Meeting Minutes
5. Business
  - a. Review and Consideration of 24-Hour Posting Location
  - b. Review and Consideration of 2018 Meeting Calendar
  - c. Cancellation of May Directors Election
  - d. Update on Infrastructure Cost Verification
  - e. Other Business
6. Legal
  - a. Other Legal
7. Financial
  - a. Review of December 2017 Financial Reports
  - b. Review and Consideration of the 2017 Application for Exemption from Audit
  - c. Review, Approve and Ratify the Accounts Payable List
8. Executive Session if necessary
9. Adjournment

This meeting is open to the public.

### Sunlight Metro Board

### Term Exp:

Todd Pedersen, President	May 2020
LeAllyn "Bert" Scendsen, Secretary	May 2018
Matthew Tredway, Treasurer	May 2018
Nicholas M. Metzler, Assistant Secretary	May 2020
Thomas B. Fox, Assistant Secretary	May 2020

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# RECORD OF PROCEEDINGS

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## Minutes of the Special Meeting of the Board of Directors of Sunlight Metropolitan District November 15, 2017

A Special Meeting of the Board of Directors of Sunlight Metropolitan District, Routt County, Colorado, was held Wednesday, November, 15, 2017 at 8:30 a.m., at THPK, 330 S. Lincoln Ave #101, Steamboat Springs, Routt County, Colorado.

### Attendance

The following Directors were present and acting:

- Todd Pedersen
- Bert Svendsen
- Nick Metzler
- Matt Tredway

The following Director was absent and excused:

- Tom Fox

Also in attendance were:

- Sarah McGrath, McGeady Becher, PC (via phone)
- Emilee Hansen, McGeady Becher, PC (via phone)
- Eric Weaver, Marchetti & Weaver, LLC (via phone)
- Debbie Braucht, Marchetti & Weaver, LLC, Secretary for the Meeting (via phone)

### Call to Order

The Meeting of the Board of Directors of Sunlight Metropolitan District was called to order by Chairman Pedersen, noting a quorum was present.

### Conflicts of Interest

Ms. McGrath discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted by legal counsel that disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors.

### Consideration of Agenda

Upon motion duly made and seconded it was unanimously

**RESOLVED** to amend the agenda to include discussion of the Financial Statements and the 2017 Amended Budget.

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# RECORD OF PROCEEDINGS

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Sunlight Metropolitan District November 15, 2017 Meeting Minutes

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## Meeting Location

Because there is no suitable or convenient location within the District's boundaries it was determined to conduct the meeting at the location listed above. The meeting notice was duly posted and the location is within a 20- mile radius of the District's boundaries.

## Minutes

Upon review and by motion duly made and seconded it was unanimously

**RESOLVED** to approve the August 23, 2017 Meeting minutes as presented.

## Engagement of Marchetti & Weaver, LLC

Director Pedersen discussed consolidation of services with Mary Jo Dougherty prior to the meeting and is recommending that Marchetti & Weaver assume the administrative tasks for the District in addition to the accounting services already being provided, with McGeady Becher continuing to provide legal services. Upon motion duly made and seconded it was unanimously

**RESOLVED** to add administrative services to the scope of work provided by Marchetti & Weaver, LLC.

## Insurance Renewal

Upon consideration any by motion duly made and seconded it was unanimously

**RESOLVED** to renew the District's insurance with the Colorado Special District's Property & Liability Pool and continue with T Charles Wilson for agency services.

## 2018 Meeting Dates

After discussion the Board agreed that meetings for 2018 would be held on the 2<sup>nd</sup> Thursday of January, April, July and October at 8:30 am at Colorado Group Realty, 509 Lincoln, Avenue, Steamboat Springs, Colorado.

## Accounts Payable

An Accounts Payable listing was included in the Board packet. In addition to the invoices listed there will be a few more invoices to wrap up the year. After discussion and upon motion duly made and seconded it was unanimously

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# RECORD OF PROCEEDINGS

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Sunlight Metropolitan District November 15, 2017 Meeting Minutes

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**RESOLVED** to approve the Accounts Payable list; and

**FURTHER RESOLVED** to authorize Director Pedersen to work with Marchetti & Weaver to prepare a Developer Funding Request to include the approved invoices as well as additional invoices that will become due before the end of the year.

## **Operations Funding Agreement**

It was noted that due to unexpected additional expenditures it an increase in funding from the Developer will be required for 2017. Upon review and by motion duly made and seconded it was unanimously

**RESOLVED** to approve an Amendment to the Operation Funding Agreement, increasing the capacity to ninety-five thousand dollars (\$95,000) for 2017.

## **2017 Amended Budget**

At the last meeting there was a public hearing to amend the 2017 Budget for the cost of the infrastructure. It has now been determined that the General Fund budget will need to be amended for additional operational costs and as such today's meeting has been published as the Public Hearing on the 2017 Amended Budget. Mr. Weaver opened the Public Hearing to public comment. There being no public comment the Public Hearing was closed. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the resolution to Amend the 2017 Budget.

## **2018 Budget**

Mr. Weaver reviewed the 2018 Budget and the October Financial statements in detail with the Board. There was discussion of the mill levy for operations and debt. As the assessed value increases in later years it is anticipated that the operations portion of the property taxes will cover operational costs but that the full levy will be dedicated towards operations in 2018. Today's meeting has been published as the Public Hearing on the 2018 Budget. The Public Hearing was opened to public comment. There being no public comment the Public Hearing was closed. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the resolution to adopt the 2018 budget, subject to minor adjustments which may result from the final certification of assessed values; and

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# RECORD OF PROCEEDINGS

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Sunlight Metropolitan District November 15, 2017 Meeting Minutes

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**FURTHER RESOLVED** to approve the resolution to certify the mill levy at 35 mills for operations; and

**FURTHER RESOLVED** to approve the resolution to appropriate funds for spending in 2018; and

## **Election Resolution**

Ms. Hansen explained the process for the upcoming May 2018 Directors election. Because the District is in the very early stages of development the election will likely be cancelled assuming there will be no more nominees than there will be seats available. Upon motion duly made and seconded it was unanimously

**RESOLVED** to adopt the May 2018 Director's Election Resolution.

## **Transparency Notice**

Upon discussion and by motion duly made and seconded it was unanimously

**RESOLVED** to authorize the preparation of the Transparency Notice and posting on the Special District's Association website.

## **Resolution Rescinding Adoption of the Declaration of Covenants Conditions and Restrictions, the Design Guidelines and the Imposition of Design Review Fees and Deposits**

The District and the Sunlight Homeowners Association (Association) have determined it to be in the best interest for the District to refrain from providing the Design Review and Covenant Enforcement Functions and for the Association to retain such functions. Upon review and by motion duly made and seconded it was unanimously

**RESOLVED** to approve Resolution 2017-11-05 Rescinding Resolution Acknowledging and Adopting the Declaration of Covenants, Conditions, and Restrictions for Sunlight Residential Subdivision; Resolution Adopting the Sunlight Design Guidelines for Sunlight Residential Subdivision; and Resolution Regarding Imposition of Design Review Fees and Deposits.

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# RECORD OF PROCEEDINGS

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Sunlight Metropolitan District November 15, 2017 Meeting Minutes

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## Adjournment

There being no further business to come before the Board, upon motion duly made and seconded it was unanimously

**RESOLVED** to adjourn the meeting of the Sunlight Metropolitan District Board of Directors held November 15, 2017.

Respectfully Submitted,

Secretary to the Meeting

DRAFT

**Sunlight Metro Distirct**  
**2018 Meeting Schedule**  
**8:30 am Colorado Group Realty Offices**  
**509 Lincoln Ave, Steamboat Springs, CO 80487**

**Month**  
 January  
 April  
 July  
 October

**Meeting**  
 Regular Meeting  
 Regular Meeting  
 Regular Meeting  
 Regular Meeting

**Date**  
 January 11, 2018  
 April 12, 2018  
 July 12, 2018  
 October 11, 2018

Jan-18						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Feb-18						
S	M	T	W	T	F	S
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4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

Mar-18						
S	M	T	W	T	F	S
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4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Apr-18						
S	M	T	W	T	F	S
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8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

May-18						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Jun-18						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Jul-18						
S	M	T	W	T	F	S
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8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Aug-18						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Sep-18						
S	M	T	W	T	F	S
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

Oct-18						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Nov-18						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Dec-18						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Sunlight Metropolitan District  
Statement of Net Position  
December 31, 2017

	General Fund	Capital Fund	TOTAL OPERATING FUNDS	Fixed Assets & LTD	TOTAL ALL FUNDS
<b>ASSETS</b>					
<b>CASH</b>					
Alpine Checking	5,388		5,388		5,388
<b>TOTAL CASH</b>	<b>5,388</b>	<b>-</b>	<b>5,388</b>	<b>-</b>	<b>5,388</b>
<b>OTHER CURRENT ASSETS</b>					
Due From County Treasurer	-		-		-
Property Taxes Receivable	24,562		24,562		24,562
Prepaid Expenses	3,070		3,070		3,070
Accounts Receivable-Developer	-		-		-
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>27,631</b>	<b>-</b>	<b>27,631</b>	<b>-</b>	<b>27,631</b>
<b>FIXED ASSETS</b>					
Capital Assets			-		-
Accumulated Depreciation			-		-
<b>TOTAL FIXED ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>33,019</b>	<b>-</b>	<b>33,019</b>	<b>-</b>	<b>33,019</b>
<b>LIABILITIES &amp; DEFERED INFLOWS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	3,322		3,322		3,322
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,322</b>	<b>-</b>	<b>3,322</b>	<b>-</b>	<b>3,322</b>
<b>DEFERRED INFLOWS</b>					
Deferred Property Taxes	24,562		24,562		24,562
<b>TOTAL DEFERRED INFLOWS</b>	<b>24,562</b>	<b>-</b>	<b>24,562</b>	<b>-</b>	<b>24,562</b>
<b>LONG-TERM LIABILITIES</b>					
Accrued Interest			-		-
Developer Advances Payable			-	55,000	55,000
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,000</b>	<b>55,000</b>
<b>TOTAL LIAB &amp; DEF INFLOWS</b>	<b>27,884</b>	<b>-</b>	<b>27,884</b>	<b>55,000</b>	<b>82,884</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets			-		-
Amount to be Provided for Debt			-	(55,000)	(55,000)
Fund Balance- Restricted	1,496		1,496		1,496
Fund Balance- Unassigned	3,640		3,640		3,640
<b>TOTAL NET POSITION</b>	<b>5,135</b>	<b>-</b>	<b>5,135</b>	<b>(55,000)</b>	<b>(49,865)</b>



Sunlight Metropolitan District  
Statement of Revenues, Expenditures, & Changes In Fund Balance  
Modified Accrual Basis For the Period Indicated

Print Date: 3/5/2018

	2016 Actual	2017 Adopted Budget	2017 Amended Budget	2017 Forecast	YTD Thru 12/31/17 Actual	YTD Thru 12/31/17 Budget	Variance Favorable (Unfavor)	2018 Adopted Budget
<b>PROPERTY TAXES</b>								
<b>Assessed Valuation</b>		74,510	74,510	74,510				701,770
Mill Levy - Debt		-	-	-				-
Mill Levy - Operations		-	-	-				35,000
<b>Total</b>	-	-	-	-	-	-	-	35,000
Property Tax Revenue - Debt		-	-	-				-
Property Tax Revenue - Operations		-	-	-				24,562
<b>Total</b>	-	-	-	-	-	-	-	24,562
<b>COMBINED FUNDS</b>								
<b>REVENUE</b>								
Property taxes	-	-	-	-	-	-	-	24,562
Specific ownership taxes	-	-	-	-	-	-	-	1,719
Design review fees	-	-	2,000	-	-	-	-	-
Interest & other income	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	-	-	2,000	-	-	-	-	26,281
<b>EXPENDITURES</b>								
<u>Administration</u>								
Accounting	-	10,000	10,000	10,000	8,847	10,000	1,153	15,000
Audit	-	500	-	-	-	500	500	-
Legal	-	20,000	50,000	50,000	39,340	20,000	(19,340)	15,000
Management	-	10,000	-	-	-	10,000	10,000	10,000
Design review	-	-	2,000	-	-	-	-	-
Treasurer's fees	-	-	-	-	-	-	-	737
Election	-	-	-	-	-	-	-	2,000
Insurance, bonds & SDA dues	-	5,000	5,000	1,850	1,406	5,000	3,594	5,000
<u>Operations</u>								
Landscaping & snow removal	-	-	2,000	2,000	-	-	-	10,000
Irrigation Maintenance	-	-	1,000	-	-	-	-	1,000
Utilities	-	-	-	-	-	-	-	5,000
Miscellaneous	-	2,000	2,000	105	271	2,000	1,996	2,000
Contingency/ Emergencies	-	2,500	20,000	20,000	-	2,500	2,500	25,000
<u>Debt Service</u>								
Debt service	-	-	-	-	-	-	-	-
Debt issuance expense	-	-	-	-	-	-	-	-
<u>Capital Outlay</u>								
	-	-	4,230,272	-	-	-	-	4,230,272
<b>TOTAL EXPENDITURES</b>	-	50,000	4,322,272	83,955	49,865	50,000	403	4,321,009
<b>REVENUE OVER / (UNDER) EXPENDITURE</b>	-	(50,000)	(4,320,272)	(83,955)	(49,865)	50,000	(403)	(4,294,728)
<b>OTHER SOURCES / (USES)</b>								
Developer advances- cash	-	50,000	105,000	90,000	55,000	50,000	5,000	76,000
Developer advances- infrastructure	-	-	4,220,272	-	-	-	-	4,220,272
Bond proceeds	-	-	-	-	-	-	-	-
<b>TOTAL OTHER SOURCES / (USES)</b>	-	50,000	4,325,272	90,000	55,000	50,000	5,000	4,296,272
<b>CHANGE IN FUND BALANCE</b>	-	-	5,000	6,045	5,135	0	5,135	1,544
<b>BEGINNING FUND BALANCE</b>	-	-	-	-	-	-	-	6,045
<b>ENDING FUND BALANCE</b>	-	-	5,000	6,045	5,135	0	5,135	7,589
<b>COMPONENTS OF FUND BALANCE</b>								
TABOR emergency reserve	-	-	2,760	2,519	1,496	-	1,496	2,722
Restricted For debt service	-	-	-	-	-	-	-	-
Unassigned	-	-	2,240	3,526	3,640	-	3,640	4,867
<b>TOTAL ENDING FUND BALANCE</b>	-	-	5,000	6,045	5,135	-	5,135	7,589
	=	=	=	=	=	=	=	=

No assurance is provided on these financial statements;  
substantially all disclosures required by GAAP omitted.

Sunlight Metropolitan District  
Statement of Revenues, Expenditures, & Changes In Fund Balance  
Modified Accrual Basis For the Period Indicated

Print Date: 3/5/2018

	2016 Actual	2017 Adopted Budget	2017 Amended Budget	2017 Forecast	YTD Thru 12/31/17 Actual	YTD Thru 12/31/17 Budget	Variance Favorable (Unfavor)	2018 Adopted Budget
<b>GENERAL FUND</b>								
<b>REVENUE</b>								
Property taxes	-	-	-	-	-	-	-	24,562
Specific ownership taxes	-	-	-	-	-	-	-	1,719
Design Review Fees	-	-	2,000	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	-	-	<b>2,000</b>	-	-	-	-	<b>26,281</b>
<b>EXPENDITURES</b>								
<u>Administration</u>								
Accounting & Administration	-	10,000	10,000	10,000	8,847	10,000	1,153	15,000
Audit	-	500	-	-	-	500	500	-
Legal	-	20,000	50,000	50,000	39,340	20,000	(19,340)	15,000
Management	-	10,000	-	-	-	10,000	10,000	10,000
Design review administration	-	-	2,000	-	-	-	-	-
Bank Fees	-	-	-	5	4	-	(4)	-
Office Expense	-	-	-	100	267	-	(267)	-
Treasurer's fees	-	-	-	-	-	-	-	737
Interest - developer advances	-	-	-	-	-	-	-	-
Election	-	-	-	-	-	-	-	2,000
Insurance, bonds & SDA dues	-	5,000	5,000	1,850	1,406	5,000	3,594	5,000
<u>Operations</u>								
Landscape maintenance	-	-	-	-	-	-	-	-
Snow removal	-	-	2,000	2,000	-	-	-	10,000
Irrigation Maintenance	-	-	1,000	-	-	-	-	1,000
Utilities	-	-	-	-	-	-	-	5,000
Miscellaneous	-	2,000	2,000	-	-	2,000	2,000	2,000
Contingency/ Emergencies	-	2,500	20,000	20,000	-	2,500	2,500	25,000
<b>TOTAL EXPENDITURES</b>	-	<b>50,000</b>	<b>92,000</b>	<b>83,955</b>	<b>49,865</b>	<b>50,000</b>	<b>135</b>	<b>90,737</b>
<b>REVENUE OVER / (UNDER) EXPENDITUR</b>	-	<b>(50,000)</b>	<b>(90,000)</b>	<b>(83,955)</b>	<b>(49,865)</b>	<b>(50,000)</b>	<b>135</b>	<b>(64,456)</b>
<b>OTHER SOURCES / (USES)</b>								
Transfers in/(out)	-	-	-	-	-	-	-	-
Developer advances	-	50,000	95,000	90,000	55,000	50,000	5,000	66,000
<b>TOTAL OTHER SOURCES / (USES)</b>	-	<b>50,000</b>	<b>95,000</b>	<b>90,000</b>	<b>55,000</b>	<b>50,000</b>	<b>5,000</b>	<b>66,000</b>
<b>CHANGE IN FUND BALANCE</b>	-	-	<b>5,000</b>	<b>6,045</b>	<b>5,135</b>	<b>0</b>	<b>5,135</b>	<b>1,544</b>
<b>BEGINNING FUND BALANCE</b>	-	-	-	-	-	-	-	<b>6,045</b>
<b>ENDING FUND BALANCE</b>	-	-	<b>5,000</b>	<b>6,045</b>	<b>5,135</b>	<b>0</b>	<b>5,135</b>	<b>7,589</b>
		=	=	=	=	=	=	=

Sunlight Metropolitan District  
 Statement of Revenues, Expenditures, & Changes In Fund Balance  
 Modified Accrual Basis For the Period Indicated

Print Date: 3/5/2018

	2016 Actual	2017 Adopted Budget	2017 Amended Budget	2017 Forecast	YTD Thru 12/31/17 Actual	YTD Thru 12/31/17 Budget	Variance Favorable (Unfavor)	2018 Adopted Budget
<b>CAPITAL FUND</b>								
<b>REVENUE</b>								
Interest income	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	-	-	-	-	-	-	-	-
<b>EXPENDITURES</b>								
<b>ROADS &amp; SIDEWALKS</b>								
Phase 1	-	-	1,146,298	-	-	-	-	1,146,298
Indian Trail	-	-	140,301	-	-	-	-	140,301
<b>WATER</b>								
Phase 1	-	-	683,224	-	-	-	-	683,224
<b>SEWER</b>								
Phase 1	-	-	604,355	-	-	-	-	604,355
Indian Trail	-	-	66,065	-	-	-	-	66,065
<b>PARKS AND RECREATION</b>								
Phase 1 landscaping	-	-	145,550	-	-	-	-	145,550
<b>SOFT/ALLOCATABLE COSTS</b>								
Phase 1	-	-	408,430	-	-	-	-	408,430
Indian Trail	-	-	26,050	-	-	-	-	26,050
Cost certification consultant fees	-	-	10,000	-	-	-	-	10,000
Contingency	-	-	1,000,000	-	-	-	-	1,000,000
<b>TOTAL EXPENDITURES</b>	-	-	<b>4,230,272</b>	-	-	-	-	<b>4,230,272</b>
<b>REVENUE OVER / (UNDER) EXPENDITUR</b>	-	-	<b>(4,230,272)</b>	-	-	-	-	<b>(4,230,272)</b>
<b>OTHER SOURCES / (USES)</b>								
Transfers in/(out)	-	-	-	-	-	-	-	-
Developer advances- conveyances	-	-	4,220,272	-	-	-	-	4,220,272
Developer advances- cash	-	-	10,000	-	-	-	-	10,000
<b>TOTAL OTHER SOURCES / (USES)</b>	-	-	<b>4,230,272</b>	-	-	-	-	<b>4,230,272</b>
<b>CHANGE IN FUND BALANCE</b>	-	-	-	-	-	-	-	-
<b>BEGINNING FUND BALANCE</b>	-	-	-	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	-	-	-	-	-	-	-	-
		=	=					=

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT ADDRESS	Sunlight Metropolitan District
	28 Second Street
	Suite 213
	Edwards, CO 81632
CONTACT PERSON	Debbie Braucht
	970.926.6060
	debbie@mwcpaa.com
	970.926.6040

For the Year Ended  
12/31/17  
or fiscal year ended:

### 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:	Eric Weaver
TITLE	Accountant/CPA
FIRM NAME (if applicable)	Marchetti & Weaver, LLC
ADDRESS	28 Second Street, Suite 213, Edwards, CO 81632
PHONE	970.926.6060
DATE PREPARED (Must be prepared prior to Board approval)	3/5/2018

### PREPARER (SIGNATURE REQUIRED)

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

## PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property	\$ -	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ 55,000	
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	\$ 55,000	

## PART 3 - EXPENDITURES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ -	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 1,406	
3-7	Accounting and legal fees	\$ 48,187	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ 271	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Culture and recreation	\$ -	
3-15	Utility operations	\$ -	
3-16	Capital outlay	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$ 49,865	

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;">There is no debt repayment schedule for Developer Advances, payments will be made as cash flow allows.</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; height: 20px; margin-top: 5px;"></div>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
	Outstanding at end of prior year*	Issued during year		
	Retired during year	Outstanding at year-end		
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ 55,000	\$ -	\$ 55,000
Other (specify):	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 55,000</b>	<b>\$ -</b>	<b>\$ 55,000</b>

\*must tie to prior year ending balance

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much? <span style="float: right;">\$ 156,000,000.00</span> Date the debt was authorized: <span style="float: right;">11/8/2016</span>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much? <span style="float: right;">\$ -</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding? <span style="float: right;">\$ -</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have any lease agreements? If yes: What is being leased? What is the original date of the lease? Number of years of lease?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the lease subject to annual appropriation? What are the annual lease payments? <span style="float: right;">\$ -</span>	<input type="checkbox"/>	<input type="checkbox"/>
4-9 Does the entity have a certified Mill Levy? If yes: Please provide the following <u>mills</u> levied for the year reported (do not report \$ amounts):	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bond Redemption		-
General/Other		-
<b>TOTAL</b>		<b>-</b>

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	\$ 5,388	
5-2 Certificates of deposit	\$ -	
<b>Total Cash Deposits</b>		<b>\$ 5,388</b>
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
5-3	\$ -	
	\$ -	
<b>Total Investments</b>		<b>\$ -</b>
<b>Total Cash and Investments</b>		<b>\$ 5,388</b>

Please answer the following questions by marking in the appropriate boxes

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

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



## PART 6 - CAPITAL ASSETS

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

Yes                      No

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

6-3 Complete the following capital assets table:

Complete the following capital 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	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*must tie to prior year ending balance

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" firemen's pension plan?  Yes       No
- 7-2 Does the entity have a volunteer firemen's pension plan?  Yes       No
- If yes: Who administers the plan?

Indicate the contributions from:

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

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

\$ -
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Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

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

Yes                      No                      N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?  Yes       No       N/A
- If no, MUST explain:

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

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

General Fund	\$ 92,000
Capital Fund	\$ 4,230,272





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

Please answer the following question by marking in the appropriate box

		Yes	No
9-1	<b>Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

**If no, MUST explain:**

## PART 10 - GENERAL INFORMATION

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

		Yes	No
10-1	<b>Is this application for a newly formed governmental entity?</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	Date of formation: <input style="width: 450px;" type="text" value="11/8/2016"/>		
10-2	<b>Has the entity changed its name in the past or current year?</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Please list the NEW name & PRIOR name: <input style="width: 500px;" type="text"/>		
10-3	<b>Is the entity a metropolitan district?</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<b>Please indicate what services the entity provides:</b> <input style="width: 500px;" type="text" value="Streets, parks and rec, water, sanitation, transportation, mosquito control, safety &amp; fire protection, television relay&amp; translation, security, operations and maintenance."/>		
10-4	<b>Does the entity have an agreement with another government to provide services?</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	List the name of the other governmental entity and the services provided: <input style="width: 500px;" type="text" value="With the SDA Pool which provides insurance."/>		
10-5	<b>Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Date Filed: <input style="width: 450px;" type="text"/>		

**Please use this space to provide any explanations or comments:**

## PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box		YES	NO
12-1	Have you read the new Electronic Signature Policy and do you plan on submitting signatures in accordance with this policy?	<input type="checkbox"/>	<input checked="" 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.

## **SUNLIGHT METROPOLITAN DISTRICT**

### **A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017**

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

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

WHEREAS, §29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed one hundred thousand dollars may, with the approval of the state auditor, be exempt from the provisions of §29-1-603, C.R.S., and

WHEREAS, neither revenues nor expenditures for the District exceeded \$100,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for the District will be prepared by Eric Weaver, of Marchetti & Weaver, LLC, an independent accountant with knowledge in governmental accounting; and

WHEREAS, said application for exemption from audit will be completed in accordance with regulations issued by the state auditor.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sunlight Metropolitan District as follows:

1. The application for exemption from audit for the District for fiscal year ended December 31, 2017 has been personally reviewed and is hereby approved by a majority of the Board of Directors of the District.
2. The majority of the Board of Directors of the District shall signify their approval by signing below.
3. This Resolution shall be attached to, and become a part of, the application for exemption from audit of the District for the fiscal year ended December 31, 2017.
4. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

5. This Resolution shall take effect and be enforced immediately upon its approval by the District Board.

ADOPTED this 8th day of March, 2018.

SUNLIGHT METROPOLITAN DISTRICT

By \_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_  
Secretary

<b><u>BOARD MEMBER</u></b>	<b><u>TERMS</u></b>	<b><u>SIGNATURE</u></b>
Todd Pedersen	May, 2020	_____
LeAllyn "Bert" Svendsen	May 2018	_____
Matthew Tredway	May 2018	_____
Nicholas Metzler	May 2020	_____
Thomas Fox	May 2020	_____

Sunlight Metropolitan District  
ACCOUNTS PAYABLE  
March 2, 2018

**Payables to be Approved at Meeting:**

<u>PAYEE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>	<u>APPROVED BY:</u>
Marchetti & Weaver, LLC	1,262.20	December Accounting and Administration	Approve at Meeting
McGeady Becher PC	2,059.50	December Legal Fees	Approve at Meeting
Subtotal to Approve at Meeting :	<u>3,321.70</u>		

**Items to be Ratified at Meeting:**

Marchetti & Weaver, LLC	1,757.10	November Accounting and Administration pd 12/18/17	Todd Pedersen
McGeady Becher PC	2,890.46	November Legal Fees pd 12/18/17	Todd Pedersen
Special District Association	338.19	2018 Dues	MWLLC & Todd Pedersen
	<u>4,985.75</u>		
<b>Total to be Approved and Ratified:</b>	<u>8,307.45</u>		

Additions are Bolded