

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT ADDRESS	Foundry Loveland Metropolitan District Pinnacle Consulting Group, Inc. 550 W. Eisenhower Blvd. Loveland, CO 80537			
CONTACT PERSON	Peggy Dowswell, CPA			
PHONE	(970)669-3611			
EMAIL	Peggyd@pinnacleconsultinggroupinc.com			
FAX	(970)669-3612			

For the Year Ended
12/31/2017
or fiscal year ended:

CERTIFICATION OF PREPARER

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

NAME:	Peggy Dowswell, CPA			
TITLE	District Accountant			
FIRM NAME (if applicable)	Pinnacle Consulting Group, Inc.			
ADDRESS	550 W. Eisenhower Blvd. (970)669-3611			
PHONE	(970)669-3611			
DATE PREPARED <small>(Must be Completed prior to Board approval)</small>	2/8/2018			
RELATIONSHIP TO ENTITY	District Accountant			

PREPARER (SIGNATURE REQUIRED)

Peggy Dowswell

Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9-3) and 32-1-104 (3), C.R.S.]	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	If Yes, date filed:
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PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund
NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Fund*	Fund*	Fund*	
Assets						
1-1	Cash & Cash Equivalents	\$ 5,247	\$ -	\$ -	\$ -	
1-2	Investments	-	-	-	-	
1-3	Receivables	\$ 11,208	-	-	-	
1-4	Due from Other Entities or Funds	-	-	-	-	
	All Other Assets (specify)					
1-5	Prepaid	\$ 238	-	-	-	
1-6		-	-	-	-	
1-7		-	-	-	-	
1-8		-	-	-	-	
1-9		-	-	-	-	
1-10		-	-	-	-	
1-11	(add lines 1-1 through 1-10)	\$ 16,693	-	-	-	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 796	-	-	-	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 17,489	-	-	-	
Liabilities						
1-14	Accounts Payable	\$ 2,993	-	-	-	
1-15	Accrued Payroll and Related Liabilities	-	-	-	-	
1-16	Accrued Interest Payable	-	-	-	-	
1-17	Due to Other Entities or Funds	-	-	-	-	
1-18	All Other Current Liabilities	-	-	-	-	
1-19	TOTAL CURRENT LIABILITIES	\$ 2,993	-	-	-	
1-20	All Other Liabilities (specify)	-	-	-	-	
1-21		-	-	-	-	
1-22		-	-	-	-	
1-23		-	-	-	-	
1-24		-	-	-	-	
1-25		-	-	-	-	
1-26		-	-	-	-	
1-27		-	-	-	-	
1-28		-	-	-	-	
1-29	(add lines 1-19 through 1-27)	\$ 2,993	-	-	-	
1-29	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 796	-	-	-	
Fund Balance						
1-30	Nonspendable Prepaid	\$ 238	-	-	-	
1-31	Nonspendable Inventory	-	-	-	-	
1-32	Restricted (specify): TABOR	\$ 4,793	-	-	-	
1-33	Committed: (specify)	-	-	-	-	
1-34	Assigned (specify)	-	-	-	-	
1-35	Unassigned:	\$ 8,669	-	-	-	
1-36	Add lines 1-30 through 1-35	-	-	-	-	
	This total should be the same as line 3-33					
	TOTAL FUND BALANCE	\$ 13,700	-	-	-	
1-37	Add lines 1-28, 1-29 and 1-36	-	-	-	-	
	This total should be the same as line 1-13					
	TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 17,489	-	-	-	
Assets						
	Cash & Cash Equivalents			\$ -	\$ -	
	Investments			-	-	
	Receivables			-	-	
	Due from Other Entities or Funds			-	-	
	Other Current Assets			-	-	
	Total Current Assets			-	-	
	Capital Assets, net (from Part 6-4)			-	-	
	Other Long Term Assets (specify)			-	-	
	(add lines 1-1 through 1-10)			-	-	
	TOTAL DEFERRED OUTFLOWS OF RESOURCES			-	-	
	TOTAL ASSETS AND DEFERRED OUTFLOWS			-	-	
Liabilities						
	Accounts Payable			-	-	
	Accrued Payroll and Related Liabilities			-	-	
	Accrued Interest Payable			-	-	
	Due to Other Entities or Funds			-	-	
	All Other Current Liabilities			-	-	
	TOTAL CURRENT LIABILITIES (from Part 4-4)			-	-	
	Proprietary Debt Outstanding			-	-	
	Other Liabilities (specify)			-	-	
	(add lines 1-19 through 1-27)			-	-	
	TOTAL DEFERRED OUTFLOWS OF RESOURCES			-	-	
Net Position						
	Net Investment in Capital Assets			-	-	
	Emergency Reserves			-	-	
	Other Designations/Reserves			-	-	
	Restricted			-	-	
	Undesignated/Unreserved/Unrestricted			-	-	
	Add lines 1-30 through 1-35			-	-	
	This total should be the same as line 3-33					
	TOTAL NET POSITION			-	-	
	Add lines 1-28, 1-29 and 1-36			-	-	
	This total should be the same as line 1-13					
	TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION			-	-	

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

Line #	Description	Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Fund#	Fund#	Fund#	
2-1	Tax Revenue					
2-2	Property	\$ -		\$ -		
2-3	Specific Ownership	\$ -		\$ -		
2-4	Sales and Use Tax	\$ -		\$ -		
2-5	Other Tax Revenue (specify):	\$ -		\$ -		
2-6		\$ -		\$ -		
2-7		\$ -		\$ -		
2-8	Add lines 2-1 through 2-7	\$ -		\$ -		
	TOTAL TAX REVENUE	\$ -		\$ -		
2-9	Licenses and Permits	\$ -		\$ -		
2-10	Highway Users Tax Funds (HURF)	\$ -		\$ -		
2-11	Conservation Trust Funds (Lottery)	\$ -		\$ -		
2-12	Community Development Block Grant	\$ -		\$ -		
2-13	Fire & Police Pension	\$ -		\$ -		
2-14	Grants	\$ -		\$ -		
2-15	Donations	\$ -		\$ -		
2-16	Charges for Sales and Services	\$ -		\$ -		
2-17	Rental Income	\$ -		\$ -		
2-18	Fines and Forfeits	\$ -		\$ -		
2-19	Interest/Investment Income	\$ -		\$ -		
2-20	Tap Fees	\$ -		\$ -		
2-21	Developer Advances	\$ -		\$ -		
2-22	All Other (specify):	\$ -		\$ -		
2-23		\$ -		\$ -		
2-24	Add lines 2-8 through 2-23	\$ 165,290		\$ -		
	TOTAL REVENUES	\$ 165,290		\$ -		
Other Financing Sources						
2-25	Debt Proceeds	\$ -		\$ -		
2-26	Proceeds from Sale of Capital Assets	\$ -		\$ -		
2-27	Other (specify):	\$ -		\$ -		
2-28	Add lines 2-25 through 2-27	\$ -		\$ -		
	TOTAL OTHER FINANCING SOURCES	\$ -		\$ -		
2-29	Add lines 2-24 and 2-28	\$ 165,290		\$ -		
	TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 165,290		\$ -		
GRAND TOTALS						
		\$ 165,290		\$ -		\$ 165,290

IF GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES for all funds (Line 2-29) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES

Line #	Description	Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Fund*	Fund*	Fund*	
3-1	Expenditures					
	General Government	\$ 151,590	\$ -	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ -	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	\$ -	\$ -	
3-8	Health	\$ -	\$ -	\$ -	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	\$ -	\$ -	
3-10	Other (specify):	\$ -	\$ -	\$ -	\$ -	
3-11		\$ -	\$ -	\$ -	\$ -	
3-12		\$ -	\$ -	\$ -	\$ -	
3-13		\$ -	\$ -	\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ -	\$ -	\$ -	
	Debt Service	\$ -	\$ -	\$ -	\$ -	
3-15	Principal	\$ -	\$ -	\$ -	\$ -	
3-16	Interest	\$ -	\$ -	\$ -	\$ -	
3-17	Bond Issuance Costs	\$ -	\$ -	\$ -	\$ -	
3-18	Developer Principal Repayments	\$ -	\$ -	\$ -	\$ -	
3-19	Developer Interest Repayments	\$ -	\$ -	\$ -	\$ -	
3-20	All Other (specify):	\$ -	\$ -	\$ -	\$ -	
3-21		\$ -	\$ -	\$ -	\$ -	
3-22	Add lines 3-1 through 3-21	\$ 151,590	\$ -	\$ -	\$ -	
	TOTAL EXPENDITURES					GRAND TOTAL
						151,590
3-23	Interfund Transfers (In)	\$ -	\$ -	\$ -	\$ -	
3-24	Interfund Transfers out	\$ -	\$ -	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	\$ -	\$ -	
3-26	Depreciation	\$ -	\$ -	\$ -	\$ -	
3-27	Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	
3-28	Capital Outlay	\$ -	\$ -	\$ -	\$ -	
3-29	Debt Principal	\$ -	\$ -	\$ -	\$ -	
	(Line 3-26, plus line 3-27, less line 3-24, less line 3-25)					
	TOTAL GAAP RECONCILING ITEMS					
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	\$ 13,700	\$ -	\$ -	\$ -	
	Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24					
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	\$ -	\$ -	
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	\$ -	\$ -	
3-33	Fund Balance, December 31	\$ -	\$ -	\$ -	\$ -	
	Sum of Line 3-30, 3-31, and 3-32	\$ 13,700	\$ -	\$ -	\$ -	
	This total should be the same as line 1-36.					
IF GRAND TOTAL EXPENDITURES for all funds (Line 3-22) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.						

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

- 4-1 Does the entity have outstanding debt? YES NO
- 4-2 Is the debt repayment schedule attached? If no, MUST explain: Developer Debt, paid as funds are available.
- 4-3 Is the entity current in its debt service payments? If no, MUST explain:

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

	Outstanding at beginning of year	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ 165,290	\$ -	\$ 165,290
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ 165,290	\$ -	\$ 165,290

*must agree to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

- 4-5 Does the entity have any authorized, but unissued, debt? YES NO
- If yes: How much? \$ 17,834,710
- 4-6 Does the debt intend to issue debt within the next calendar year? 11/8/2016
- If yes: How much? \$ -
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for? \$ -
- If yes: What is the amount outstanding? \$ -
- 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? _____
- Is the lease subject to annual appropriation?
- What are the annual lease payments? _____
- 4-9 Does the entity have a certified mill levy?
- If yes: Please provide the following mills levied for the year reported (do not enter \$ amounts):
- | | | | |
|-----------------|-------------|--|--|
| Bond Redemption | 0.00 | | |
| General/Other | 0.00 | | |
| TOTAL | 0.00 | | |

PART 5 - CASH AND INVESTMENTS

Please use this space to provide any explanations or comments:

5-1 Please provide the entity's cash deposit and investment balances.

	AMOUNT	TOTAL
YEAR-END Total of ALL Checking and Savings accounts	\$ 5,247	
5-2 Certificates of deposit	\$ -	
TOTAL CASH DEPOSITS	\$ 5,247	

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

	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
TOTAL CASH AND INVESTMENTS	\$ -	

5-3

	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
TOTAL CASH AND INVESTMENTS	\$ -	

5-4 Are the entity's investments legal in accordance with Section 24-75-601, et seq., C.R.S.? YES NO

5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10-5-101, et seq., C.R.S.)? If no, MUST explain:

PART 6 - CAPITAL ASSETS

Please answer the following question by marking in the appropriate box

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

Please use this space to provide any explanations or comments:

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

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

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

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

*trust agree to prior year ending balance

PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box

- 7-1 Does the entity have an "old hire" firemen's pension plan? YES NO
- 7-2 Does the entity have a volunteer firemen's pension plan? YES NO

Please use this space to provide any explanations or comments:

If yes:
 Who administers the plan?
 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?

PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box

YES NO N/A

Please use this space to provide any explanations or comments:

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

Fund Name	Budgeted Expenditures
General Fund	159,767
	-
	-
	-

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

Please answer the following question by marking in the appropriate box

YES NO

Please use this space to provide any explanations or comments:

- 9-1 Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))?
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR. YES NO

PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box

YES NO

Please use this space to provide any explanations or comments:

- 10-1 Is this application for a newly formed governmental entity? YES NO
- If yes: Date of formation: _____
- 10-2 Has the entity changed its name in the past or current year? YES NO
- If Yes: NEW name _____
- PRIOR name _____
- 10-3 Is the entity a metropolitan district? YES NO
- 10-4 Please indicate what services the entity provides:
 Construction, financing, operations, and maintenance of Public Improvements
- 10-5 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: _____

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

OSA USE ONLY

Entity Wide:	General Fund	Governmental Funds	Notes
Unrestricted Cash & Investments	5,247	8,669	-
Current Liabilities	2,993	13,700	-
Deferred Inflow	796	-	165,290
	Total Fund Balance	Total Revenue	-
	Total Revenue	Total Debt Service Principal	-
	Total Expenditures	Total Debt Service Interest	-
	Interfund In		-
	Interfund Out	Enterprise Funds	-
	Proprietary	Net Position	-
	Current Assets	PY Net Position	-
	Deferred Outflow	Government-Wide	-
	Property Tax	Total Outstanding Debt	165,290
	Debt Service Principal	Authorized but Unissued	17,834,710
	Total Expenditures	Year Authorized	42,692
	Cash & Investments		
	165,290		
	Total Developer Repayments		
	-		
	Principal Expense		

PART 12 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES NO

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

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

Policy - Requirements

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

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

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

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

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

A MAJORITY of the governing board members must complete and sign in the column below.

Print the names of all current governing board members below.		A MAJORITY of the governing board members must complete and sign in the column below.	
Board Member	Print Board Member's Name	YES	NO
1	Shannon Stearman	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	I, <u>Shannon Stearman</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>[Signature]</u> Date: <u>2-15-2018</u> My term Expires: 2020		
2	Jay Hardy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	I, <u>Jay Hardy</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>[Signature]</u> Date: <u>2-15-18</u> My term Expires: 2020		
3	Peter Yoo	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	I, <u>Peter Yoo</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>[Signature]</u> Date: <u>2/15/18</u> My term Expires: 2020		
4	Sherman Miller	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	I, <u>Sherman Miller</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: 2018		
5	Print Board Member's Name		
	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____		
6	Print Board Member's Name		
	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____		
7	Print Board Member's Name		
	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____		