

**ANNUAL REPORT  
DAWSON RIDGE METROPOLITAN DISTRICTS NO. 1, NO. 2,  
NO. 3, NO. 4 AND NO. 5, DOUGLAS COUNTY, COLORADO,  
REPORTING PERIOD ENDING  
DECEMBER 31, 2013**

Pursuant to Section 32-1-207(3)(c), C.R.S., Special District Act, and Section 11.02.040 of Castle Rock Municipal Code, the following report is submitted by the Boards of Directors of Dawson Ridge Metropolitan Districts No. 1, No. 2, No. 3, No. 4 and No. 5 (the "Districts"), to the Town Council of the Town of Castle Rock.

The following information concerns the activity and financial events of the Districts during the year 2013:

1. Progress in implementing service plan.

The Districts are currently operating under a Suspension Agreement with the Town of Castle Rock, dated October 8, 1992, which does not allow the Districts to exercise their powers other than those administrative functions necessary to remain in lawful existence and in compliance with State law, until the Districts submit amendments to their service plans that are approved by the Town of Castle Rock.

2. 2013 Audit.

Dawson Ridge Metropolitan Districts No. 1, No. 2, No. 3, No. 4 and No. 5 each qualify for, and have applied to the State Auditor's Office for audit exemptions for fiscal year 2013. Copies of the Applications for Exemption from Audit are attached to this report.

3. Capital expenditures and capital improvements.

The Districts did not incur any capital expenditures in the development of public facilities in the report year of 2013.

4. Capital improvements/projects proposed to be undertaken in 5 years following 2013.

None.

5. Financial obligations and assessed valuation.

Financial Obligations are reflected on the Applications for Exemption from Audit and the 2014 budgets attached to this report.

District No. 1: The gross total assessed valuation of all taxable properties within the District No. 1 as of December 2013 was \$82,330. No portion of the District 2013 mill levy was pledged to debt retirement.

District No. 2: The gross total assessed valuation of all taxable properties within the District No. 2 as of December 2013 was \$3,060. No portion of the District 2013 mill levy was pledged to debt retirement.

District No. 3: The gross total assessed valuation of all taxable properties within the District No. 3 as of December 2013 was \$53,100. No portion of the District 2013 mill levy was pledged to debt retirement.

District No. 4: The gross total assessed valuation of all taxable properties within the District No. 4 as of December 2013 was \$3,960. No portion of the District 2013 mill levy was pledged to debt retirement.

District No. 5: The gross total assessed valuation of all taxable properties within the District No. 5 as of December 2013 was \$50. No portion of the District 2013 mill levy was pledged to debt retirement.

6. Budgets for 2014.

Copies of the Districts' budgets for 2014 as adopted on January 3, 2014, are attached to this report.

7. Residential/commercial development which occurred within Districts in 2013:

No commercial or residential development occurred within the Districts during the reporting period.

8. Fees, charges and assessments.

No fees, charges or assessments were levied or collected by the Districts in 2013.

9. Certification re: Section 11.02.060.

No action, event or condition enumerated in Section 11.02.060 of the Town of Castle Rock Municipal Code, constituting a material modification to any of the Districts' service plans, occurred in the report year.

10. Names, addresses, telephone numbers, meetings.

The names, business addresses, and telephone numbers of each member of the Board of Directors, the president, and the District counsel are as follows:

Thomas J. Mancuso  
1 Golden Eagle Lane  
Littleton, CO 80127  
(303) 298-0221

Director and President of Districts No. 1, No. 2,  
No. 3, No. 4 and No. 5

Other Directors' Positions:

Vacant  
Vacant  
Vacant  
Vacant

Ernest F. Fazekas II, Esq.  
Folkestad Fazekas Barrick & Patoile, P.C.  
18 S. Wilcox Street, Suite 200  
Castle Rock, CO 80104  
303-688-3045


Legal Counsel

Regular meetings are scheduled for the 1st Wednesday of every month, commencing at 9:30 a.m., at the office of Folkestad Fazekas Barrick & Patoile, P.C., located at 18 S. Wilcox Street, Suite 200, Castle Rock, Colorado, 80104.


Pursuant to Section 32-1-207(3)(c), C.R.S., a copy of this report will be filed with the Town Council of the Town of Castle Rock, the Douglas County Board of Commissioners, the Division of Local Government, and the State Auditor, as well as being deposited with the Douglas County Clerk and Recorder and made available to any interested party as defined in Section 32-1-204(1), C.R.S.

DATE: August 26, 2014.

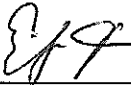
DAWSON RIDGE METROPOLITAN DISTRICT  
NO. 1, a quasi-municipal corporation and political  
subdivision of the State of Colorado

By:   
Ernest F. Fazekas II, District Legal Counsel


DAWSON RIDGE METROPOLITAN DISTRICT  
NO. 2, a quasi-municipal corporation and political  
subdivision of the State of Colorado

By:   
Ernest F. Fazekas II, District Legal Counsel


DAWSON RIDGE METROPOLITAN DISTRICT  
NO. 3, a quasi-municipal corporation and political  
subdivision of the State of Colorado

By:   
Ernest F. Fazekas II, District Legal Counsel

DAWSON RIDGE METROPOLITAN DISTRICT  
NO. 4, a quasi-municipal corporation and political  
subdivision of the State of Colorado

By:   
Ernest F. Fazekas II, District Legal Counsel

DAWSON RIDGE METROPOLITAN DISTRICT  
NO. 5, a quasi-municipal corporation and political  
subdivision of the State of Colorado

By:   
Ernest F. Fazekas II, District Legal Counsel

**Applications for Exemption from Audit -- 2013**  
**Dawson Ridge Metropolitan Districts No. 1, No. 2, No. 3, No. 4, and No. 5**

**APPLICATION FOR EXEMPTION FROM AUDIT - SHORT FORM - FOR GOVERNMENTS WITH REVENUES AND EXPENDITURES OF \$100,000 OR LESS**

Name of Government:	Dawson Ridge Metropolitan District No. 1	For the Fiscal Year Ended December 31, 2013 or fiscal year ended:
Address:	c/o Pinnacle Consulting Group, Inc. 1627 East 18th Street Loveland, CO 80538	
Contact Person:	Brendan Campbell, CPA	
Telephone:	(970)669-3611	
Email:	brendanc@pinnacleconsultinggroupinc.com	
Fax:	(970)669-3612	

Return to: Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203  
Fax: 303-866-4062  
Email: OSA.LG@state.co.us  
Call (303) 869-3000 if you need help completing this form.

**PLEASE READ THE  
ABOVE INSTRUCTIONS  
BEFORE SUBMITTING**

Section 29-1-604, C.R.S., outlines the provisions for an exemption from audit. Generally, any local government for which neither revenues nor expenditures exceed \$500,000 in any fiscal year may qualify for an exemption. If either revenues or expenditures are \$100,000 or greater, but not more than \$500,000, you may NOT use this form. Please use the LONG FORM of this application. If both revenues and expenditures are less than \$100,000 individually, use this short form application for exemption from audit.

Please review ALL instructions prior to the completion of this form.

**Instructions:**

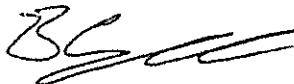
1. Prepare this form completely and accurately. Please note that there are 11 parts to this form, and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within 3 months after the end of the fiscal year. For years ended December 31, the form **must** be received by the Office of the State Auditor by **March 31**.
3. The form **must** be completed by a person skilled in governmental accounting.
4. The application must be personally reviewed and approved by a majority of the governing body as evidenced by one of the following methods:
  - a. Resolution of the governing body - application may be emailed, faxed, or mailed.
  - b. Original signatures - application must be mailed. Email or fax will NOT be accepted.
5. The **preparer must sign** the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

**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

Name:	Brendan Campbell, CPA
Title:	District Accountant
Firm Name (if applicable):	Pinnacle Consulting Group, Inc.
Address:	1627 East 18th Street
Telephone Number:	(970)669-3611
Date Prepared:	2/25/2014

**Preparer Signature (Required):** The application will be rejected if not signed by the preparer.



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>Governmental</b>	<b>Proprietary</b>
	X	

**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	(Omit cents)
2-1	Taxes: Property	\$ 3,556
2-2	Specific ownership	\$ 298
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 4-3, column 2)	\$ -
2-16	Lease proceeds	\$ -
2-17	Developer Advances received (should agree with line 4-3 )	\$ -
2-18	Proceeds from sale of capital assets	\$ -
2-19	Fire and police pension	\$ -
2-20	Other (specify): Billboard Revenue	\$ 10,500
2-21		\$ -
2-22		\$ -
2-23		\$ -
2-24	(add lines 2-1 through 2-23) <b>TOTAL REVENUE</b> all sources	\$ 14,354

**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	(Omit cents)
3-1	Administrative	\$ 53
3-2	Salaries	\$ -
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ 14,301
3-5	Employee benefits	\$ -
3-6	Insurance	\$ -
3-7	Accounting and legal fees	\$ -
3-8	Repair and maintenance	\$ -
3-9	Supplies	\$ -
3-10	Utilities and telephone	\$ -
3-11	Fire/Police	\$ -
3-12	Streets and highways	\$ -
3-13	Public health	\$ -
3-14	Culture and recreation	\$ -
3-15	Utility operations	\$ -
3-16	Capital outlay (should agree with line 6-1, column 2)	\$ -
3-17	Debt service principal (should agree with line 4-3, column 2)	\$ -
3-18	Debt service interest	\$ -
3-19	Repayment of Developer Advances (should agree with line 4-3)	\$ -
3-20	Contribution to pension plan (should agree to line 7-2)	\$ -
3-21	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -
3-22	Other (specify):	\$ -
3-23		\$ -
3-24		\$ -
3-25	(add lines 3-1 through 3-24) <b>TOTAL EXPENDITURES</b> all categories	\$ 14,354

**Note:** If Total Revenue (Line 2-24) or Total Expenditures (Line 3-25) 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?						X	
	Is the debt repayment schedule attached? If no, please explain: Outstanding debt will be repaid when funds are available.					/		
4-2	Is the entity current in its debt service payments? If no, please explain:					/		
4-3	Please complete the following debt schedule, if applicable: (please only include principal amounts)				Outstanding at end of prior year	Issued during fiscal year	Retired during fiscal year	Outstanding at fiscal year-end
	General obligation bonds				\$ -	\$ -	\$ -	\$ -
	Revenue bonds				\$ -	\$ -	\$ -	\$ -
	Notes/Loans				\$ -	\$ -	\$ -	\$ -
	Leases				\$ -	\$ -	\$ -	\$ -
	Developer Advances				\$ -	\$ -	\$ -	\$ -
	Other (specify):				\$ -	\$ -	\$ -	\$ -
Total:				\$ -	\$ -	\$ -	\$ -	
Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-4	Does the entity have any authorized, but unissued, debt?					X		
If yes:	How much?	\$	39,650,000.00			/		
	Date the debt was authorized:		5/2/2000			/		
4-5	Does the entity intend to issue debt within the next calendar year?						X	
If yes:	How much?	\$	-			/		
Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-6	Does the entity have debt that has been refinanced that it is still responsible for?						X	
If yes:	What is the amount outstanding?	\$	-			/		
Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-7	Does the entity have any lease agreements?						X	
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?	\$	-			/		
4-8	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	Checking accounts		\$ -	/	
5-2	Savings accounts		\$ -	/	
5-3	Certificates of deposit		\$ -	/	
	<b>Total Cash Deposits</b>		\$ -	\$ -	
5-4	Investments (if investment is a mutual fund, please list underlying investments):			/	
5-5			\$ -	/	
5-6			\$ -	/	
5-7			\$ -	/	
	<b>Total Investments</b>		\$ -	\$ -	
	<b>Total Cash and Investments</b>		\$ -	\$ -	
Please answer the following question by marking in the appropriate box			Yes	No	
5-8	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, please explain:				N/A
5-9	Please use this space to provide any explanations or comments:				



**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?		X
If yes:	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, please explain:		
Complete the following table:			
		Balance - beginning of the year	Additions
		Deletions	Year-End Balance
	Land	\$ -	\$ -
	Buildings	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -
	Other (explain):	\$ -	\$ -
	Accumulated Depreciation	\$ -	\$ -
	Total	\$ -	\$ -
Please use this space to provide any explanations or comments:			
6-2			

**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?		X
7-2	Does the entity have a volunteer firemen's pension plan?		X
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:			
7-3			

**PART 8 - BUDGET INFORMATION**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
8-1	Did the entity file a 2013 budget with the Department of Local Affairs? If no, please explain:	X	
8-2	Did the entity pass an appropriations resolution? In no, please explain:	X	
If yes:	Please indicate the amount appropriated for each fund for 2013:		
	Fund Name	Budgeted 2013 Expenditures	
	General Fund	\$	14,769
Please use this space to provide any explanations or comments:			
8-3			

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

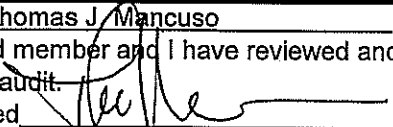
Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	X	
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.			
9-2	Please use this space to provide any explanations or comments:		

**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?		X
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		X
If Yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	X	
10-4	Please indicate what services the entity provides: Water, irrigation, sanitation, drainage, streets, traffic & safety controls, transportation, parks and recreation		
10-5	Does the entity have an agreement with another government to provide services?	X	
If yes:	List the name of the other governmental entity and the services provided: All services are provided by Dawson Ridge Metropolitan District No. 5.		
10-6	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.]		X
If yes:	Date Filed:		
10-7	Please use this space to provide any explanations or comments:		

**PART 11 - GOVERNING BODY APPROVAL**

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 \$100,000 or less must have an application prepared by a person skilled in governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current		A MAJORITY of the governing board members must complete and sign in the column
Board Member 1	Print Board Members Name	I <u>Thomas J Mancuso</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed <u></u> Date: <u>March 10, 2014</u> My term Expires: <u>05/2014</u>
	Thomas J. Mancuso	
Board Member 2	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 3	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 4	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

**APPLICATION FOR EXEMPTION FROM AUDIT - SHORT FORM - FOR GOVERNMENTS WITH REVENUES AND EXPENDITURES OF \$100,000 OR LESS**

Name of Government:	Dawson Ridge Metropolitan District No. 2	For the Fiscal Year Ended December 31, 2013 or fiscal year ended:
Address:	c/o Pinnacle Consulting Group, Inc. 1627 East 18th Street Loveland, CO 80538	
Contact Person:	Brendan Campbell, CPA	
Telephone:	(970)669-3611	
Email:	brendanc@pinnacleconsultinggroupinc.com	
Fax:	(970)669-3612	

Return to: Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203  
Fax: 303-866-4062  
Email: OSA.LG@state.co.us  
Call (303) 869-3000 if you need help completing this form.

**PLEASE READ THE  
ABOVE INSTRUCTIONS  
BEFORE SUBMITTING**

Section 29-1-604, C.R.S., outlines the provisions for an exemption from audit. Generally, any local government for which neither revenues nor expenditures exceed \$500,000 in any fiscal year may qualify for an exemption. If either revenues or expenditures are \$100,000 or greater, but not more than \$500,000, you may NOT use this form. Please use the LONG FORM of this application. If both revenues and expenditures are less than \$100,000 individually, use this short form application for exemption from audit.

Please review ALL instructions prior to the completion of this form.

Instructions:

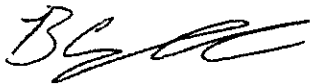
1. Prepare this form completely and accurately. Please note that there are 11 parts to this form, and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within 3 months after the end of the fiscal year. For years ended December 31, the form **must** be received by the Office of the State Auditor by March 31.
3. The form **must** be completed by a person skilled in governmental accounting.
4. The application must be personally reviewed and approved by a majority of the governing body as evidenced by one of the following methods:
  - a. Resolution of the governing body - application may be emailed, faxed, or mailed.
  - b. Original signatures - application must be mailed. Email or fax will NOT be accepted.
5. The preparer **must sign** the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

**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

Name:	Brendan Campbell, CPA
Title:	District Accountant
Firm Name (if applicable):	Pinnacle Consulting Group, Inc.
Address:	1627 East 18th Street
Telephone Number:	(970)669-3611
Date Prepared:	2/25/2014

**Preparer Signature (Required):** The application will be rejected if not signed by the preparer.



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>Governmental</b>	<b>Proprietary</b>
	X	

**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	(Omit cents)
2-1	Taxes: Property	\$ 241
2-2	Specific ownership	\$ 20
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 4-3, column 2)	\$ -
2-16	Lease proceeds	\$ -
2-17	Developer Advances received (should agree with line 4-3)	\$ -
2-18	Proceeds from sale of capital assets	\$ -
2-19	Fire and police pension	\$ -
2-20	Other (specify): Billboard Revenue	\$ -
2-21		\$ -
2-22		\$ -
2-23		\$ -
2-24	(add lines 2-1 through 2-23) <b>TOTAL REVENUE</b> all sources	\$ 261

**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	(Omit cents)
3-1	Administrative	\$ 4
3-2	Salaries	\$ -
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ 257
3-5	Employee benefits	\$ -
3-6	Insurance	\$ -
3-7	Accounting and legal fees	\$ -
3-8	Repair and maintenance	\$ -
3-9	Supplies	\$ -
3-10	Utilities and telephone	\$ -
3-11	Fire/Police	\$ -
3-12	Streets and highways	\$ -
3-13	Public health	\$ -
3-14	Culture and recreation	\$ -
3-15	Utility operations	\$ -
3-16	Capital outlay (should agree with line 6-1, column 2)	\$ -
3-17	Debt service principal (should agree with line 4-3, column 2)	\$ -
3-18	Debt service interest	\$ -
3-19	Repayment of Developer Advances (should agree with line 4-3)	\$ -
3-20	Contribution to pension plan (should agree to line 7-2)	\$ -
3-21	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -
3-22	Other (specify):	\$ -
3-23		\$ -
3-24		\$ -
3-25	(add lines 3-1 through 3-24) <b>TOTAL EXPENDITURES</b> all categories	\$ 261

**Note: If Total Revenue (Line 2-24) or Total Expenditures (Line 3-25) 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?						X	
	Is the debt repayment schedule attached? If no, please explain: Outstanding debt will be repaid when funds are available.							
4-2	Is the entity current in its debt service payments? If no, please explain:							
4-3	Please complete the following debt schedule, if applicable: (please only include principal amounts)				Outstanding at end of prior year	Issued during fiscal year	Retired during fiscal year	Outstanding at fiscal year-end
	General obligation bonds				\$ -	\$ -	\$ -	\$ -
	Revenue bonds				\$ -	\$ -	\$ -	\$ -
	Notes/Loans				\$ -	\$ -	\$ -	\$ -
	Leases				\$ -	\$ -	\$ -	\$ -
	Developer Advances				\$ -	\$ -	\$ -	\$ -
	Other (specify):				\$ -	\$ -	\$ -	\$ -
Total:				\$ -	\$ -	\$ -	\$ -	
Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-4	Does the entity have any authorized, but unissued, debt?					X		
If yes:	How much?		\$	27,150,000.00				
	Date the debt was authorized:			5/2/2000				
4-5	Does the entity intend to issue debt within the next calendar year?						X	
If yes:	How much?		\$	-				
Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-6	Does the entity have debt that has been refinanced that it is still responsible for?						X	
If yes:	What is the amount outstanding?		\$	-				
Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-7	Does the entity have any lease agreements?						X	
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?		\$	-				
4-8	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	Checking accounts			\$ -	
5-2	Savings accounts			\$ -	
5-3	Certificates of deposit			\$ -	
	Total Cash Deposits				\$ -
5-4	Investments (if investment is a mutual fund, please list underlying investments):				
5-5				\$ -	
5-6				\$ -	
5-7				\$ -	
	Total Investments				\$ -
	Total Cash and Investments				\$ -
Please answer the following question by marking in the appropriate box				Yes	No
5-8	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, please explain:				N/A
5-9	Please use this space to provide any explanations or comments:				

**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?					X	
If yes:	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, please explain:						
	Complete the following table:			Balance - beginning of the year	Additions	Deletions	Year-End Balance
	Land	\$ -	\$ -	\$ -	\$ -	\$ -	
	Buildings	\$ -	\$ -	\$ -	\$ -	\$ -	
	Machinery and equipment	\$ -	\$ -	\$ -	\$ -	\$ -	
	Furniture and fixtures	\$ -	\$ -	\$ -	\$ -	\$ -	
	Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -	\$ -	
	Other (explain):	\$ -	\$ -	\$ -	\$ -	\$ -	
	Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	
6-2	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?					X	
7-2	Does the entity have a volunteer firemen's pension plan?					X	
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?				\$ -		
7-3	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	
8-1	Did the entity file a 2013 budget with the Department of Local Affairs? If no, please explain:				X		
8-2	Did the entity pass an appropriations resolution? In no, please explain:				X		
If yes:	Please indicate the amount appropriated for each fund for 2013:						
	Fund Name	Budgeted 2013 Expenditures					
	General Fund	\$	355				
8-3	Please use this space to provide any explanations or comments:						

**PART 9 - TAX PAYER'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)]?	X	
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.			
9-2	Please use this space to provide any explanations or comments:		

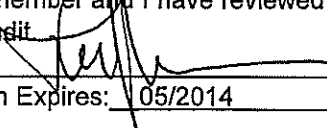
**PART 10 - GENERAL INFORMATION**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
10-1	Is this application for a newly formed governmental entity?		X
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		X
If Yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	X	
10-4	Please indicate what services the entity provides:		
	Water, irrigation, sanitation, drainage, streets, traffic & safety controls, transportation, parks and recreation		
10-5	Does the entity have an agreement with another government to provide services?	X	
If yes:	List the name of the other governmental entity and the services provided:		
	All services are provided by Dawson Ridge Metropolitan District No. 5.		
10-6	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.]		X
If yes:	Date Filed:		
10-7	Please use this space to provide any explanations or comments:		



**PART 11 - GOVERNING BODY APPROVAL**

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 \$100,000 or less must have an application prepared by a person skilled in governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current		A MAJORITY of the governing board members must complete and sign in the column
Board Member 1	Print Board Members Name	I <u>Thomas J. Mancuso</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
	Thomas J. Mancuso	Signed <u></u> Date: <u>March 10, 2014</u> My term Expires: <u>05/2014</u>
Board Member 2	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 3	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 4	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 5	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____

**APPLICATION FOR EXEMPTION FROM AUDIT - SHORT FORM - FOR GOVERNMENTS WITH REVENUES AND EXPENDITURES OF \$100,000 OR LESS**

Name of Government:	Dawson Ridge Metropolitan District No. 3	For the Fiscal Year Ended December 31, 2013 or fiscal year ended:
Address:	c/o Pinnacle Consulting Group, Inc. 1627 East 18th Street Loveland, CO 80538	
Contact Person:	Brendan Campbell, CPA	
Telephone:	(970)669-3611	
Email:	brendanc@pinnacleconsultinggroupinc.com	
Fax:	(970)669-3612	

Return to: Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203  
Fax: 303-866-4062  
Email: OSA.LG@state.co.us  
Call (303) 869-3000 if you need help completing this form.

**PLEASE READ THE  
ABOVE INSTRUCTIONS  
BEFORE SUBMITTING**

Section 29-1-604, C.R.S., outlines the provisions for an exemption from audit. Generally, any local government for which neither revenues nor expenditures exceed \$500,000 in any fiscal year may qualify for an exemption. If either revenues or expenditures are \$100,000 or greater, but not more than \$500,000, you may NOT use this form. Please use the LONG FORM of this application. If both revenues and expenditures are less than \$100,000 individually, use this short form application for exemption from audit.

Please review ALL instructions prior to the completion of this form.

Instructions:

1. Prepare this form completely and accurately. Please note that there are 11 parts to this form, and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within **3 months** after the end of the fiscal year.  
For years ended December 31, the form **must** be received by the Office of the State Auditor by **March 31**.
3. The form **must** be completed by a person skilled in governmental accounting.
4. The application must be personally reviewed and approved by a majority of the governing body as evidenced by one of the following methods:
  - a. Resolution of the governing body - application may be emailed, faxed, or mailed.
  - b. Original signatures - application must be mailed. Email or fax will NOT be accepted.
5. The **preparer must sign** the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

**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

Name:	Brendan Campbell, CPA
Title:	District Accountant
Firm Name (if applicable):	Pinnacle Consulting Group, Inc.
Address:	1627 East 18th Street
Telephone Number:	(970)669-3611
Date Prepared:	2/25/2014

**Preparer Signature (Required):** The application will be rejected if not signed by the preparer.



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>Governmental</b>	<b>Proprietary</b>
	X	

**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	(Omit cents)
2-1	Taxes: Property	\$ 2,959
2-2	Specific ownership	\$ 248
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 4-3, column 2)	\$ -
2-16	Lease proceeds	\$ -
2-17	Developer Advances received (should agree with line 4-3 )	\$ -
2-18	Proceeds from sale of capital assets	\$ -
2-19	Fire and police pension	\$ -
2-20	Other (specify): Billboard Revenue	\$ -
2-21		\$ -
2-22		\$ -
2-23		\$ -
2-24	(add lines 2-1 through 2-23) <b>TOTAL REVENUE</b> all sources	\$ 3,207

**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	(Omit cents)
3-1	Administrative	\$ 44
3-2	Salaries	\$ -
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ 3,163
3-5	Employee benefits	\$ -
3-6	Insurance	\$ -
3-7	Accounting and legal fees	\$ -
3-8	Repair and maintenance	\$ -
3-9	Supplies	\$ -
3-10	Utilities and telephone	\$ -
3-11	Fire/Police	\$ -
3-12	Streets and highways	\$ -
3-13	Public health	\$ -
3-14	Culture and recreation	\$ -
3-15	Utility operations	\$ -
3-16	Capital outlay (should agree with line 6-1, column 2)	\$ -
3-17	Debt service principal (should agree with line 4-3, column 2)	\$ -
3-18	Debt service interest	\$ -
3-19	Repayment of Developer Advances (should agree with line 4-3)	\$ -
3-20	Contribution to pension plan (should agree to line 7-2)	\$ -
3-21	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -
3-22	Other (specify):	\$ -
3-23		\$ -
3-24		\$ -
3-25	(add lines 3-1 through 3-24) <b>TOTAL EXPENDITURES</b> all categories	\$ 3,207

**Note:** If Total Revenue (Line 2-24) or Total Expenditures (Line 3-25) 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?				X	
	Is the debt repayment schedule attached? If no, please explain: Outstanding debt will be repaid when funds are available.					
4-2	Is the entity current in its debt service payments? If no, please explain:					
4-3	Please complete the following debt schedule, if applicable: (please only include principal amounts)		Outstanding at end of prior year	Issued during fiscal year	Retired during fiscal year	Outstanding at fiscal year-end
	General obligation bonds		\$ -	\$ -	\$ -	\$ -
	Revenue bonds		\$ -	\$ -	\$ -	\$ -
	Notes/Loans		\$ -	\$ -	\$ -	\$ -
	Leases		\$ -	\$ -	\$ -	\$ -
	Developer Advances		\$ -	\$ -	\$ -	\$ -
	Other (specify):		\$ -	\$ -	\$ -	\$ -
	Total:		\$ -	\$ -	\$ -	\$ -
Please answer the following questions by marking the appropriate boxes.				Yes	No	
4-4	Does the entity have any authorized, but unissued, debt?			X		
If yes:	How much?	\$	23,175,000.00			
	Date the debt was authorized:		5/2/2000			
4-5	Does the entity intend to issue debt within the next calendar year?				X	
If yes:	How much?	\$	-			
Please answer the following questions by marking the appropriate boxes.				Yes	No	
4-6	Does the entity have debt that has been refinanced that it is still responsible for?				X	
If yes:	What is the amount outstanding?	\$	-			
Please answer the following questions by marking the appropriate boxes.				Yes	No	
4-7	Does the entity have any lease agreements?				X	
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?	\$	-			
4-8	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	Checking accounts	\$ -	
5-2	Savings accounts	\$ -	
5-3	Certificates of deposit	\$ -	
	<b>Total Cash Deposits</b>		\$ -
	Investments (if investment is a mutual fund, please list underlying investments):		
5-4		\$ -	
5-5		\$ -	
5-6		\$ -	
5-7		\$ -	
	<b>Total Investments</b>		\$ -
	<b>Total Cash and Investments</b>		\$ -
Please answer the following question by marking in the appropriate box		Yes	No
5-8	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, please explain:		N/A
5-9	Please use this space to provide any explanations or comments:		

**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?		X	
If yes:	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, please explain:			
	Complete the following table:			
		Balance - beginning of the year	Additions	Deletions
	Land	\$ -	\$ -	\$ -
	Buildings	\$ -	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -	\$ -
	Other (explain):	\$ -	\$ -	\$ -
	Accumulated Depreciation	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	
6-2	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?		X
7-2	Does the entity have a volunteer firemen's pension plan?		X
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?	\$ -	
7-3	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
8-1	Did the entity file a 2013 budget with the Department of Local Affairs? If no, please explain:	X	
8-2	Did the entity pass an appropriations resolution? In no, please explain:	X	
If yes:	Please indicate the amount appropriated for each fund for 2013:		
	Fund Name	Budgeted 2013 Expenditures	
	General Fund	\$ 3,637	
8-3	Please use this space to provide any explanations or comments:		

**PART 9 - TAX PAYER'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)]?	X	
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.			
9-2	Please use this space to provide any explanations or comments:		

**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?		X
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		X
If Yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	X	
10-4	Please indicate what services the entity provides:		
	Water, irrigation, sanitation, drainage, streets, traffic & safety controls, transportation, parks and recreation		
10-5	Does the entity have an agreement with another government to provide services?	X	
If yes:	List the name of the other governmental entity and the services provided:		
	All services are provided by Dawson Ridge Metropolitan District No. 5.		
10-6	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.]		X
If yes:	Date Filed:		
10-7	Please use this space to provide any explanations or comments:		

**PART 11 - GOVERNING BODY APPROVAL**

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 29-1604, C.R.S., which states that a governmental agency with revenue and expenditures of \$100,000 or less must have an application prepared by a person skilled in governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current		A MAJORITY of the governing board members must complete and sign in the column
Board Member 1	Print Board Members Name	I <u>Thomas J. Mancuso</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
	Thomas J. Mancuso	Signed <u>[Signature]</u> Date: <u>March 10, 2014</u> My term Expires: <u>05/2014</u>
Board Member 2	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 3	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 4	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 5	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____

**APPLICATION FOR EXEMPTION FROM AUDIT - SHORT FORM - FOR GOVERNMENTS WITH REVENUES AND EXPENDITURES OF \$100,000 OR LESS**

Name of Government:	Dawson Ridge Metropolitan District No. 4	For the Fiscal Year Ended December 31, 2013 or fiscal year ended:
Address:	c/o Pinnacle Consulting Group, Inc. 1627 East 18th Street Loveland, CO 80538	
Contact Person:	Brendan Campbell, CPA	
Telephone:	(970)669-3611	
Email:	brendanc@pinnacleconsultinggroupinc.com	
Fax:	(970)669-3612	

Return to: Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203  
Fax: 303-866-4062  
Email: OSA.LG@state.co.us  
Call (303) 869-3000 if you need help completing this form.

**PLEASE READ THE  
ABOVE INSTRUCTIONS  
BEFORE SUBMITTING**

Section 29-1-604, C.R.S., outlines the provisions for an exemption from audit. Generally, any local government for which neither revenues nor expenditures exceed \$500,000 in any fiscal year may qualify for an exemption. If either revenues or expenditures are \$100,000 or greater, but not more than \$500,000, you may NOT use this form. Please use the LONG FORM of this application. If both revenues and expenditures are less than \$100,000 individually, use this short form application for exemption from audit.

Please review ALL instructions prior to the completion of this form.

**Instructions:**

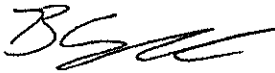
1. Prepare this form completely and accurately. Please note that there are 11 parts to this form, and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within 3 months after the end of the fiscal year. For years ended December 31, the form **must** be received by the Office of the State Auditor by March 31.
3. The form **must** be completed by a person skilled in governmental accounting.
4. The application must be personally reviewed and approved by a majority of the governing body as evidenced by one of the following methods:
  - a. Resolution of the governing body - application may be emailed, faxed, or mailed.
  - b. Original signatures - application must be mailed. Email or fax will NOT be accepted.
5. The **preparer must sign** the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

**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

Name:	Brendan Campbell, CPA
Title:	District Accountant
Firm Name (if applicable):	Pinnacle Consulting Group, Inc.
Address:	1627 East 18th Street
Telephone Number:	(970)669-3611
Date Prepared:	2/25/2014

**Preparer Signature (Required):** The application will be rejected if not signed by the preparer.



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>Governmental</b>	<b>Proprietary</b>
	X	



### 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	(Omit cents)
2-1	Taxes: Property	\$ 226
2-2	Specific ownership	\$ 19
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 4-3, column 2)	\$ -
2-16	Lease proceeds	\$ -
2-17	Developer Advances received (should agree with line 4-3)	\$ -
2-18	Proceeds from sale of capital assets	\$ -
2-19	Fire and police pension	\$ -
2-20	Other (specify): Billboard Revenue	\$ -
2-21		\$ -
2-22		\$ -
2-23		\$ -
2-24	(add lines 2-1 through 2-23) <b>TOTAL REVENUE</b> all sources	\$ 245

### 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	(Omit cents)
3-1	Administrative	\$ 3
3-2	Salaries	\$ -
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ 242
3-5	Employee benefits	\$ -
3-6	Insurance	\$ -
3-7	Accounting and legal fees	\$ -
3-8	Repair and maintenance	\$ -
3-9	Supplies	\$ -
3-10	Utilities and telephone	\$ -
3-11	Fire/Police	\$ -
3-12	Streets and highways	\$ -
3-13	Public health	\$ -
3-14	Culture and recreation	\$ -
3-15	Utility operations	\$ -
3-16	Capital outlay (should agree with line 6-1, column 2)	\$ -
3-17	Debt service principal (should agree with line 4-3, column 2)	\$ -
3-18	Debt service interest	\$ -
3-19	Repayment of Developer Advances (should agree with line 4-3)	\$ -
3-20	Contribution to pension plan (should agree to line 7-2)	\$ -
3-21	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -
3-22	Other (specify):	\$ -
3-23		\$ -
3-24		\$ -
3-25	(add lines 3-1 through 3-24) <b>TOTAL EXPENDITURES</b> all categories	\$ 245

**Note:** If *Total Revenue* (Line 2-24) or *Total Expenditures* (Line 3-25) 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?						X
	Is the debt repayment schedule attached? If no, please explain: Outstanding debt will be repaid when funds are available.						
4-2	Is the entity current in its debt service payments? If no, please explain:						
4-3	Please complete the following debt schedule, if applicable: (please only include principal amounts)		Outstanding at end of prior year	Issued during fiscal year	Retired during fiscal year	Outstanding at fiscal year-end	
	General obligation bonds		\$ -	\$ -	\$ -	align="right">\$ -	
	Revenue bonds		\$ -	\$ -	\$ -	align="right">\$ -	
	Notes/Loans		\$ -	\$ -	\$ -	align="right">\$ -	
	Leases		\$ -	\$ -	\$ -	align="right">\$ -	
	Developer Advances		\$ -	\$ -	\$ -	align="right">\$ -	
	Other (specify):		\$ -	\$ -	\$ -	align="right">\$ -	
	Total:		\$ -	\$ -	\$ -	align="right">\$ -	
Please answer the following questions by marking the appropriate boxes.						Yes	No
4-4	Does the entity have any authorized, but unissued, debt?					X	
If yes:	How much?	\$ 14,300,000.00					
	Date the debt was authorized:	5/2/2000					
4-5	Does the entity intend to issue debt within the next calendar year?						X
If yes:	How much?	\$ -					
Please answer the following questions by marking the appropriate boxes.						Yes	No
4-6	Does the entity have debt that has been refinanced that it is still responsible for?						X
If yes:	What is the amount outstanding?	\$ -					
Please answer the following questions by marking the appropriate boxes.						Yes	No
4-7	Does the entity have any lease agreements?						X
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?					X	
	What are the annual lease payments?	\$ -					
4-8	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	Checking accounts		\$ -	
5-2	Savings accounts		\$ -	
5-3	Certificates of deposit		\$ -	
	Total Cash Deposits			\$ -
	Investments (if investment is a mutual fund, please list underlying investments):			
5-4			\$ -	
5-5			\$ -	
5-6			\$ -	
5-7			\$ -	
	Total Investments			\$ -
	Total Cash and Investments			\$ -
Please answer the following question by marking in the appropriate box			Yes	No
5-8	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, please explain:			N/A
5-9	Please use this space to provide any explanations or comments:			

**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?		X
If yes:	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, please explain:		
Complete the following table:			
		Balance - beginning of the year	Additions
		Deletions	Year-End Balance
	Land	\$ -	\$ -
	Buildings	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -
	Other (explain):	\$ -	\$ -
	Accumulated Depreciation	\$ -	\$ -
	Total	\$ -	\$ -
6-2	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?		X
7-2	Does the entity have a volunteer firemen's pension plan?		X
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?	\$ -	
7-3	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
8-1	Did the entity file a 2013 budget with the Department of Local Affairs? If no, please explain:	X	
8-2	Did the entity pass an appropriations resolution? In no, please explain:	X	
If yes:	Please indicate the amount appropriated for each fund for 2013:		
	Fund Name	Budgeted 2013 Expenditures	
	General Fund	\$ 341	
8-3	Please use this space to provide any explanations or comments:		

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

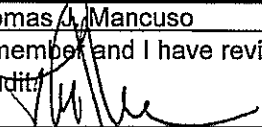
Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	X	
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.			
9-2	Please use this space to provide any explanations or comments:		

**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?		X
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		X
If Yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	X	
10-4	Please indicate what services the entity provides: Water, irrigation, sanitation, drainage, streets, traffic & safety controls, transportation, parks and recreation		
10-5	Does the entity have an agreement with another government to provide services?	X	
If yes:	List the name of the other governmental entity and the services provided: All services are provided by Dawson Ridge Metropolitan District No. 5.		
10-6	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.]		X
If yes:	Date Filed:		
10-7	Please use this space to provide any explanations or comments:		

**PART 11 - GOVERNING BODY APPROVAL**

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 \$100,000 or less must have an application prepared by a person skilled in governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current		A MAJORITY of the governing board members must complete and sign in the column
Board Member 1	Print Board Members Name	I <u>Thomas J. Mancuso</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
	<u>Thomas J. Mancuso</u>	Signed <u></u> Date <u>March 10, 2014</u> My term Expires: <u>05/2014</u>
Board Member 2	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 3	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 4	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 5	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____

**APPLICATION FOR EXEMPTION FROM AUDIT - SHORT FORM - FOR GOVERNMENTS WITH REVENUES AND EXPENDITURES OF \$100,000 OR LESS**

Name of Government:	Dawson Ridge Metropolitan District No. 5	For the Fiscal Year Ended December 31, 2013 or fiscal year ended:
Address:	c/o Pinnacle Consulting Group, Inc. 1627 East 18th Street Loveland, CO 80538	
Contact Person:	Brendan Campbell, CPA	
Telephone:	(970)669-3611	
Email:	brendanc@pinnacleconsultinggroupinc.com	
Fax:	(970)669-3612	

Return to: Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203  
Fax: 303-866-4062  
Email: OSA.LG@state.co.us  
Call (303) 869-3000 if you need help completing this form.

**PLEASE READ THE ABOVE INSTRUCTIONS BEFORE SUBMITTING**

Section 29-1-604, C.R.S., outlines the provisions for an exemption from audit. Generally, any local government for which neither revenues nor expenditures exceed \$500,000 in any fiscal year may qualify for an exemption. If either revenues or expenditures are \$100,000 or greater, but not more than \$500,000, you may NOT use this form. Please use the LONG FORM of this application. If both revenues and expenditures are less than \$100,000 individually, use this short form application for exemption from audit.

Please review ALL instructions prior to the completion of this form.

Instructions:

1. Prepare this form completely and accurately. Please note that there are 11 parts to this form, and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within 3 months after the end of the fiscal year. For years ended December 31, the form must be received by the Office of the State Auditor by March 31.
3. The form must be completed by a person skilled in governmental accounting.
4. The application must be personally reviewed and approved by a majority of the governing body as evidenced by one of the following methods:
  - a. Resolution of the governing body - application may be emailed, faxed, or mailed.
  - b. Original signatures - application must be mailed. Email or fax will NOT be accepted.
5. The preparer must sign the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

**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

Name:	Brendan Campbell, CPA
Title:	District Accountant
Firm Name (if applicable):	Pinnacle Consulting Group, Inc.
Address:	1627 East 18th Street
Telephone Number:	(970)669-3611
Date Prepared:	2/25/2014

**Preparer Signature (Required):** The application will be rejected if not signed by the preparer.



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>Governmental</b>	<b>Proprietary</b>
	X	

**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	(Omit cents)
2-1	Taxes: Property	\$ 2
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	\$ 17,963
2-11	Fines and forfeits	\$ -
2-12	Special assessments	\$ -
2-13	Investment income	\$ 9
2-14	Charges for utility services	\$ -
2-15	Debt proceeds (should agree with line 4-3, column 2)	\$ -
2-16	Lease proceeds	\$ -
2-17	Developer Advances received (should agree with line 4-3)	\$ -
2-18	Proceeds from sale of capital assets	\$ -
2-19	Fire and police pension	\$ -
2-20	Other (specify): Billboard Revenue	\$ -
2-21		\$ -
2-22		\$ -
2-23		\$ -
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE all sources	\$ 17,974

**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	(Omit cents)
3-1	Administrative	\$ 3,116
3-2	Salaries	\$ -
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ -
3-5	Employee benefits	\$ -
3-6	Insurance	\$ 3,158
3-7	Accounting and legal fees	\$ 4,500
3-8	Repair and maintenance	\$ -
3-9	Supplies	\$ -
3-10	Utilities and telephone	\$ -
3-11	Fire/Police	\$ -
3-12	Streets and highways	\$ -
3-13	Public health	\$ -
3-14	Culture and recreation	\$ -
3-15	Utility operations	\$ -
3-16	Capital outlay (should agree with line 6-1, column 2)	\$ -
3-17	Debt service principal (should agree with line 4-3, column 2)	\$ -
3-18	Debt service interest	\$ -
3-19	Repayment of Developer Advances (should agree with line 4-3)	\$ -
3-20	Contribution to pension plan (should agree to line 7-2)	\$ -
3-21	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -
3-22	Other (specify): Office, Dues & Other	\$ 1,183
3-23		\$ -
3-24		\$ -
3-25	(add lines 3-1 through 3-24) TOTAL EXPENDITURES all categories	\$ 11,957

**Note:** If Total Revenue (Line 2-24) or Total Expenditures (Line 3-25) 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?		X
	Is the debt repayment schedule attached? If no, please explain: Outstanding debt will be repaid when funds are available.		
4-2	Is the entity current in its debt service payments? If no, please explain:		
4-3	Please complete the following debt schedule, if applicable: (please only include principal amounts)	Outstanding at end of prior year	Issued during fiscal year
	General obligation bonds	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ -	\$ -
	Leases	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	Total:	\$ -	\$ -
	Retired during fiscal year	\$ -	\$ -
	Outstanding at fiscal year-end	\$ -	\$ -
Please answer the following questions by marking the appropriate boxes.		Yes	No
4-4	Does the entity have any authorized, but unissued, debt?	X	
If yes:	How much?	\$ 20,300,000.00	
	Date the debt was authorized:	5/2/2000	
4-5	Does the entity intend to issue debt within the next calendar year?		X
If yes:	How much?	\$ -	
Please answer the following questions by marking the appropriate boxes.		Yes	No
4-6	Does the entity have debt that has been refinanced that it is still responsible for?		X
If yes:	What is the amount outstanding?	\$ -	
Please answer the following questions by marking the appropriate boxes.		Yes	No
4-7	Does the entity have any lease agreements?		X
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?	\$ -	
4-8	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	Checking accounts	\$ 935	
5-2	Savings accounts	\$ -	
5-3	Certificates of deposit	\$ -	
	<b>Total Cash Deposits</b>		\$ 935
	Investments (if investment is a mutual fund, please list underlying investments):		
5-4	Colotrust	\$ 35,943	
5-5		\$ -	
5-6		\$ -	
5-7		\$ -	
	<b>Total Investments</b>		\$ 35,943
	<b>Total Cash and Investments</b>		\$ 36,878
Please answer the following question by marking in the appropriate box		Yes	No
5-8	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, please explain:	X	
5-9	Please use this space to provide any explanations or comments:		



**PART 6 - CAPITAL ASSETS**

<b>Please answer the following questions by marking in the appropriate boxes.</b>		<b>Yes</b>	<b>No</b>
<b>6-1</b>	Does the entity have capital assets?		X
If yes:	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, please explain:		
Complete the following table:		Balance - beginning of the year	Additions
		Deletions	Year-End Balance
	Land	\$ -	\$ -
	Buildings	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -
	Other (explain):	\$ -	\$ -
	Accumulated Depreciation	\$ -	\$ -
	<b>Total</b>	\$ -	\$ -
<b>6-2</b>	Please use this space to provide any explanations or comments:		

**PART 7 - PENSION INFORMATION**

<b>Please answer the following questions by marking in the appropriate boxes.</b>		<b>Yes</b>	<b>No</b>
<b>7-1</b>	Does the entity have an "old hire" firemen's pension plan?		X
<b>7-2</b>	Does the entity have a volunteer firemen's pension plan?		X
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>	\$ -	
	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -	
<b>7-3</b>	Please use this space to provide any explanations or comments:		

**PART 8 - BUDGET INFORMATION**

<b>Please answer the following questions by marking in the appropriate boxes.</b>		<b>Yes</b>	<b>No</b>					
<b>8-1</b>	Did the entity file a 2013 budget with the Department of Local Affairs? If no, please explain:	X						
<b>8-2</b>	Did the entity pass an appropriations resolution? In no, please explain:	X						
If yes:	Please indicate the amount appropriated for each fund for 2013:							
	<table border="1"> <tr> <th align="center">Fund Name</th> <th align="center">Budgeted 2013 Expenditures</th> </tr> <tr> <td align="center">General Fund</td> <td align="right">\$ 13,028</td> </tr> <tr> <td></td> <td></td> </tr> </table>	Fund Name	Budgeted 2013 Expenditures	General Fund	\$ 13,028			
Fund Name	Budgeted 2013 Expenditures							
General Fund	\$ 13,028							
<b>8-3</b>	Please use this space to provide any explanations or comments:							

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

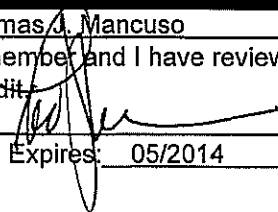
Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	X	
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.			
9-2	Please use this space to provide any explanations or comments:		

**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?		X
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		X
If Yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	X	
10-4	Please indicate what services the entity provides: Water, irrigation, sanitation, drainage, streets, traffic & safety controls, transportation, parks and recreation		
10-5	Does the entity have an agreement with another government to provide services?	X	
If yes:	List the name of the other governmental entity and the services provided: All services are provided by Dawson Ridge Metropolitan District No. 5.		
10-6	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.]		X
If yes:	Date Filed:		
10-7	Please use this space to provide any explanations or comments:		

**PART 11 - GOVERNING BODY APPROVAL**

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 \$100,000 or less must have an application prepared by a person skilled in governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current		A MAJORITY of the governing board members must complete and sign in the column
Board Member 1	Print Board Members Name	I <u>Thomas J. Mancuso</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
	Thomas J. Mancuso	Signed <u></u> Date: <u>March 14 2014</u> My term Expires: <u>05/2014</u>
Board Member 2	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 3	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 4	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 5	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.
		Signed _____ Date: _____ My term Expires: _____

**2014 Budgets**

**Dawson Ridge Metropolitan Districts No. 1, No. 2, No. 3, No. 4, and No. 5**

# Dawson Ridge Metropolitan District No. 1

January 17, 2014

Via email: [dlg-filing@state.co.us](mailto:dlg-filing@state.co.us)

Colorado Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203

RE: Dawson Ridge Metropolitan District No. 1 Budget for 2014

To Whom It May Concern:

Attached are true and accurate copies of the adopted 2014 budget for the Dawson Ridge Metropolitan District No. 1 in Douglas County, Colorado, submitted pursuant to C.R.S. Section 29-1-113. The budget was adopted on January 3, 2014.

If there are any questions, please contact our office at (970) 669-3611.

Sincerely,  
DAWSON RIDGE METROPOLITAN DISTRICT NO. 1

*Amanda Kae Carter*

Pinnacle Consulting Group Inc.  
Accounting Manager

Enc.

---

Managed by Pinnacle Consulting Group, Inc.  
1627 East 18<sup>th</sup> Street  
Loveland, CO 80538  
Phone: (970) 669-3611 \* Fax: (970) 669-3612



## Accountant's Report

### BOARD OF DIRECTORS DAWSON RIDGE METROPOLITAN DISTRICT NO. 1

I have compiled the statements of revenues and expenditures for the year ended December 31, 2012 and the ten months ended October 31, 2013 for Dawson Ridge Metropolitan District No. 1. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

I have also compiled the accompanying adopted budgets of revenue, expenditures and funds available prepared on the modified accrual basis of the Dawson Ridge Metropolitan District No. 1 for the year ending December 31, 2014 in accordance with standards established by the American Institute of Certified Public Accountants.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to the Dawson Ridge Metropolitan District No. 1.

A handwritten signature in black ink, appearing to read "Brendan Campbell", is written over a light blue horizontal line.

Brendan Campbell, CPA  
January 17, 2014

DAWSON RIDGE METROPOLITAN DISTRICT NO. 1  
2014 BUDGET MESSAGE

Dawson Ridge Metropolitan District No. 1 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established in August 1985. The District was established as part of a "Multiple District Structure" along with District Nos. 2-5. The District was organized to provide the acquisition, construction and installation of streets, traffic safety controls, street lighting, water, landscaping, storm drainage, and park and recreation facilities. The District will dedicate and transfer the majority of facilities to the Town of Castle Rock for maintenance and operation.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2014 BUDGET STRATEGY

The District's strategy in preparing the 2014 budget is to strive to provide the level of streets, water, landscaping, and park and recreation facilities as desired by the constituents of the District in the most economic manner possible.

*General Fund*

The District has budgeted \$3,705 in property taxes, \$222 in specific ownership taxes, \$10,500 in billboard revenue and \$7 in interest and other revenue for a combined total of \$14,435. The District's General Fund expenditures are budgeted at \$14,435, consisting largely of payment to District No. 5 which is operating as the service district.

*Reserves*

The District transfers all of its revenue to Dawson Ridge Metropolitan District No. 5 as provided for in an intergovernmental agreement between Dawson Ridge Metropolitan District Nos. 1-5. Therefore, no emergency reserve has been provided for in Dawson Ridge Metropolitan District No. 1. The emergency reserve related to this District is held in Dawson Ridge Metropolitan District No. 5.

DAWSON RIDGE METROPOLITAN DISTRICT NO. 1					17-Jan-14	
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS						
December 31, 2012 Actual, 2013 Adopted Budget and Projected Actual,						
Year-to-date Actual, 2014 Adopted Budget						
Modified Accrual Budgetary Basis						
DISTRICT NO. 1		2012	2013	2013	Actual	2014
GENERAL FUND		Unaudited	Adopted	Projected	Through	Adopted
Revenues		Actual	Budget	Budget	10/31/13	Budget
	Property Taxes	\$4,158	\$3,556	\$3,556	\$3,556	\$3,705
	Specific Ownership Taxes	319	213	220	250	222
	Billboard Revenue	10,500	10,500	10,500	10,500	10,500
	Interest & Other	8	500	0	0	7
	<b>Total Revenues</b>	<b>\$14,985</b>	<b>\$14,769</b>	<b>\$14,276</b>	<b>\$14,306</b>	<b>\$14,435</b>
	<b>Expenditures</b>					
	Payment for Services to No. 5	\$14,923	\$14,216	\$14,223	\$14,253	\$14,372
	Treasurer's Fees	62	53	53	53	56
	Contingency	0	500	0	0	7
	<b>Total Operating Expenditures</b>	<b>\$14,985</b>	<b>\$14,769</b>	<b>\$14,276</b>	<b>\$14,306</b>	<b>\$14,435</b>
	<b>Revenues over/(under) Exp</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Ending Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	See Accompanying Accountant's Report					



# Dawson Ridge Metropolitan District No. 2

January 17, 2014

Via email: [dlq-filing@state.co.us](mailto:dlq-filing@state.co.us)

Colorado Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203

RE: Dawson Ridge Metropolitan District No. 2 Budget for 2014

To Whom It May Concern:

Attached are true and accurate copies of the adopted 2014 budget for the Dawson Ridge Metropolitan District No. 2 in Douglas County, Colorado, submitted pursuant to C.R.S. Section 29-1-113. The budget was adopted on January 3, 2014.

If there are any questions, please contact our office at (970) 669-3611.

Sincerely,  
DAWSON RIDGE METROPOLITAN DISTRICT NO. 2



Pinnacle Consulting Group Inc.  
Accounting Manager

Enc.

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Managed by Pinnacle Consulting Group, Inc.  
1627 East 18<sup>th</sup> Street  
Loveland, CO 80538  
Phone: (970) 669-3611 \* Fax: (970) 669-3612



**PINNACLE**  
CONSULTING GROUP, INC.

Accountant's Report

BOARD OF DIRECTORS  
DAWSON RIDGE METROPOLITAN DISTRICT NO. 2

I have compiled the statements of revenues and expenditures for the year ended December 31, 2012 and the ten months ended October 31, 2013 for Dawson Ridge Metropolitan District No. 2. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

I have also compiled the accompanying adopted budgets of revenue, expenditures and funds available prepared on the modified accrual basis of the Dawson Ridge Metropolitan District No. 2 for the year ending December 31, 2014 in accordance with standards established by the American Institute of Certified Public Accountants.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to the Dawson Ridge Metropolitan District No. 2.

Brendan Campbell, CPA  
January 17, 2014

DAWSON RIDGE METROPOLITAN DISTRICT NO. 2  
2014 BUDGET MESSAGE

Dawson Ridge Metropolitan District No. 2 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established in August 1985. The District was established as part of a "Multiple District Structure" along with District Nos. 1, 3, 4 and 5. The District was organized to provide the acquisition, construction and installation of streets, traffic safety controls, street lighting, water, landscaping, storm drainage, and park and recreation facilities. The District will dedicate and transfer the majority of facilities to the Town of Castle Rock for maintenance and operation.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2014 BUDGET STRATEGY

The District's strategy in preparing the 2014 budget is to strive to provide the level of streets, water, landscaping, and park and recreation facilities as desired by the constituents of the District in the most economic manner possible.

*General Fund*

The District has budgeted \$138 in property taxes and \$8 in specific ownership for a combined total of \$146. The District's General Fund expenditures are budgeted at \$146, consisting largely of payment to District No. 5 which is operating as the service district.

*Reserves*

The District transfers all of its revenue to Dawson Ridge Metropolitan District No. 5 as provided for in an intergovernmental agreement between Dawson Ridge Metropolitan District Nos. 1-5. Therefore, no emergency reserve has been provided for in Dawson Ridge Metropolitan District No. 2. The emergency reserve related to this District is held in Dawson Ridge Metropolitan District No. 5.

DAWSON RIDGE METROPOLITAN DISTRICT NO. 2					17-Jan-14	
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS						
December 31, 2012 Actual, 2013 Adopted Budget and Projected Actual,						
Year-to-date Actual, 2014 Adopted Budget						
<b>DISTRICT NO. 2</b>		<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>Actual</b>	<b>2014</b>
<b>GENERAL FUND</b>		<b>Unaudited</b>	<b>Adopted</b>	<b>Projected</b>	<b>Through</b>	<b>Adopted</b>
<b>Revenues</b>		<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>10/31/13</b>	<b>Budget</b>
	Property Taxes	\$206	\$241	\$241	\$240	\$138
	Specific Ownership Taxes	16	14	15	17	8
	Interest & Other	2	100	0	0	0
	<b>Total Revenues</b>	<b>\$223</b>	<b>\$355</b>	<b>\$256</b>	<b>\$257</b>	<b>\$146</b>
<b>Expenditures</b>						
	Payment for Services to No. 5	\$220	\$252	\$252	\$254	\$144
	Treasurer's Fees	3	4	4	4	2
	Contingency	0	100	0	0	0
	<b>Total Operating Expenditures</b>	<b>\$223</b>	<b>\$355</b>	<b>\$256</b>	<b>\$257</b>	<b>\$146</b>
	<b>Revenues over/(under) Exp</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Ending Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
See Accompanying Accountant's Report						

# Dawson Ridge Metropolitan District No. 3

January 17, 2014

Via email: [dlg-filing@state.co.us](mailto:dlg-filing@state.co.us)

Colorado Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203

RE: Dawson Ridge Metropolitan District No. 3 Budget for 2014

To Whom It May Concern:

Attached are true and accurate copies of the adopted 2014 budget for the Dawson Ridge Metropolitan District No. 3 in Douglas County, Colorado, submitted pursuant to C.R.S. Section 29-1-113. The budget was adopted on January 3, 2014.

If there are any questions, please contact our office at (970) 669-3611.

Sincerely,  
DAWSON RIDGE METROPOLITAN DISTRICT NO. 3



Pinnacle Consulting Group Inc.  
Accounting Manager

Enc.

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Managed by Pinnacle Consulting Group, Inc.  
1627 East 18<sup>th</sup> Street  
Loveland, CO 80538  
Phone: (970) 669-3611 \* Fax: (970) 669-3612



## Accountant's Report

### BOARD OF DIRECTORS DAWSON RIDGE METROPOLITAN DISTRICT NO. 3

I have compiled the statements of revenues and expenditures for the year ended December 31, 2012 and the ten months ended October 31, 2013 for Dawson Ridge Metropolitan District No. 3. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

I have also compiled the accompanying adopted budgets of revenue, expenditures and funds available prepared on the modified accrual basis of the Dawson Ridge Metropolitan District No. 3 for the year ending December 31, 2014 in accordance with standards established by the American Institute of Certified Public Accountants.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to the Dawson Ridge Metropolitan District No. 3.

A handwritten signature in black ink, appearing to read "B. Campbell", is written over a horizontal line.

Brendan Campbell, CPA  
January 17, 2014

DAWSON RIDGE METROPOLITAN DISTRICT NO. 3  
2014 BUDGET MESSAGE

Dawson Ridge Metropolitan District No. 3 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established in August 1985. The District was established as part of a "Multiple District Structure" along with District Nos. 1, 2, 4 and 5. The District was organized to provide the acquisition, construction and installation of streets, traffic safety controls, street lighting, water, landscaping, storm drainage, and park and recreation facilities. The District will dedicate and transfer the majority of facilities to the Town of Castle Rock for maintenance and operation.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2014 BUDGET STRATEGY

The District's strategy in preparing the 2014 budget is to strive to provide the level of streets, water, landscaping, and park and recreation facilities as desired by the constituents of the District in the most economic manner possible.

*General Fund*

The District has budgeted \$2,390 in property taxes, \$143 in specific ownership taxes and \$1 in interest and other revenue for a combined total of \$2,535. The District's General Fund expenditures are budgeted at \$2,535, consisting largely of payment to District No. 5 which is operating as the service district.

*Reserves*

The District transfers all of its revenue to Dawson Ridge Metropolitan District No. 5 as provided for in an intergovernmental agreement between Dawson Ridge Metropolitan District Nos. 1-5. Therefore, no emergency reserve has been provided for in Dawson Ridge Metropolitan District No. 3. The emergency reserve related to this District is held in Dawson Ridge Metropolitan District No. 5.

DAWSON RIDGE METROPOLITAN DISTRICT NO. 3					17-Jan-14	
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS						
December 31, 2012 Actual, 2013 Adopted Budget and Projected Actual,						
Year-to-date Actual, 2014 Adopted Budget						
Modified Accrual Budgetary Basis						
DISTRICT NO. 3	2012	2013	2013	Actual	2014	
GENERAL FUND	Unaudited	Adopted	Projected	Through	Adopted	
Revenues	Actual	Budget	Budget	10/31/13	Budget	
Property Taxes	\$3,352	\$2,959	\$2,959	\$2,959	\$2,390	
Specific Ownership Taxes	258	178	183	208	143	
Interest & Other	5	500	0	0	1	
<b>Total Revenues</b>	<b>\$3,614</b>	<b>\$3,637</b>	<b>\$3,142</b>	<b>\$3,167</b>	<b>\$2,535</b>	
<b>Expenditures</b>						
Payment for Services to No. 5	\$3,564	\$3,092	\$3,098	\$3,122	\$2,498	
Treasurer's Fees	50	44	44	44	36	
Contingency	0	500	0	0	1	
<b>Total Operating Expenditures</b>	<b>\$3,614</b>	<b>\$3,637</b>	<b>\$3,142</b>	<b>\$3,167</b>	<b>\$2,535</b>	
<b>Revenues over/(under) Exp</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Ending Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
See Accompanying Accountant's Report						



# Dawson Ridge Metropolitan District No. 4

January 17, 2014

Via email: [dlg-filing@state.co.us](mailto:dlg-filing@state.co.us)

Colorado Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203

RE: Dawson Ridge Metropolitan District No. 4 Budget for 2014

To Whom It May Concern:

Attached are true and accurate copies of the adopted 2014 budget for the Dawson Ridge Metropolitan District No. 4 in Douglas County, Colorado, submitted pursuant to C.R.S. Section 29-1-113. The budget was adopted on January 3, 2014.

If there are any questions, please contact our office at (970) 669-3611.

Sincerely,  
DAWSON RIDGE METROPOLITAN DISTRICT NO. 4



Pinnacle Consulting Group Inc.  
Accounting Manager

Enc.

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Managed by Pinnacle Consulting Group, Inc.  
1627 East 18<sup>th</sup> Street  
Loveland, CO 80538  
Phone: (970) 669-3611 \* Fax: (970) 669-3612



## Accountant's Report

### BOARD OF DIRECTORS DAWSON RIDGE METROPOLITAN DISTRICT NO. 4

I have compiled the statements of revenues and expenditures for the year ended December 31, 2012 and the ten months ended October 31, 2013 for Dawson Ridge Metropolitan District No. 4. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

I have also compiled the accompanying adopted budgets of revenue, expenditures and funds available prepared on the modified accrual basis of the Dawson Ridge Metropolitan District No. 4 for the year ending December 31, 2014 in accordance with standards established by the American Institute of Certified Public Accountants.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to the Dawson Ridge Metropolitan District No. 4.

A handwritten signature in black ink, appearing to read "B. Campbell", is written over a light blue horizontal line.

Brendan Campbell, CPA  
January 17, 2014

DAWSON RIDGE METROPOLITAN DISTRICT NO. 4  
2014 BUDGET MESSAGE

Dawson Ridge Metropolitan District No. 4 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established in August 1985. The District was established as part of a "Multiple District Structure" along with District Nos. 1, 2, 3 and 5. The District was organized to provide the acquisition, construction and installation of streets, traffic safety controls, street lighting, water, landscaping, storm drainage, and park and recreation facilities. The District will dedicate and transfer the majority of facilities to the Town of Castle Rock for maintenance and operation.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2014 BUDGET STRATEGY

The District's strategy in preparing the 2014 budget is to strive to provide the level of streets, water, landscaping, and park and recreation facilities as desired by the constituents of the District in the most economic manner possible.

*General Fund*

The District has budgeted \$178 in property taxes and \$11 in specific ownership, for a combined total of \$189. The District's General Fund expenditures are budgeted at \$189, consisting largely of payment to District No. 5 which is operating as the service district.

*Reserves*

The District transfers all of its revenue to Dawson Ridge Metropolitan District No. 5 as provided for in an intergovernmental agreement between Dawson Ridge Metropolitan District Nos. 1-5. Therefore, no emergency reserve has been provided for in Dawson Ridge Metropolitan District No. 4. The emergency reserve related to this District is held in Dawson Ridge Metropolitan District No. 5.

DAWSON RIDGE METROPOLITAN DISTRICT NO. 4					17-Jan-14	
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS						
December 31, 2012 Actual, 2013 Adopted Budget and Projected Actual,						
Year-to-date Actual, 2014 Adopted Budget						
				Modified Accrual Budgetary Basis		
DISTRICT NO. 4	2012	2013	2013	Actual	2014	
GENERAL FUND	Unaudited	Adopted	Projected	Through	Adopted	
Revenues	Actual	Budget	Budget	10/31/13	Budget	
Property Taxes	\$209	\$227	\$227	\$226	\$178	
Specific Ownership Taxes	16	14	14	16	11	
Interest & Other	1	100	0	0	0	
<b>Total Revenues</b>	<b>\$226</b>	<b>\$341</b>	<b>\$241</b>	<b>\$242</b>	<b>\$189</b>	
<b>Expenditures</b>						
Payment for Services to No. 5	\$223	\$237	\$237	\$239	\$186	
Treasurer's Fees	3	3	3	3	3	
Contingency	0	100	0	0	0	
<b>Total Operating Expenditures</b>	<b>\$226</b>	<b>\$341</b>	<b>\$241</b>	<b>\$242</b>	<b>\$189</b>	
<b>Revenues over/(under) Exp</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Ending Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
See Accompanying Accountant's Report						

# Dawson Ridge Metropolitan District No. 5

January 17, 2014

Via email: [dlg-filing@state.co.us](mailto:dlg-filing@state.co.us)

Colorado Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203

RE: Dawson Ridge Metropolitan District No. 5 Budget for 2014

To Whom It May Concern:

Attached are true and accurate copies of the adopted 2014 budget for the Dawson Ridge Metropolitan District No. 5 in Douglas County, Colorado, submitted pursuant to C.R.S. Section 29-1-113. The budget was adopted on January 3, 2014.

If there are any questions, please contact our office at (970) 669-3611.

Sincerely,  
DAWSON RIDGE METROPOLITAN DISTRICT NO. 5



Pinnacle Consulting Group Inc.  
Accounting Manager

Enc.

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Managed by Pinnacle Consulting Group, Inc.  
1627 East 18<sup>th</sup> Street  
Loveland, CO 80538  
Phone: (970) 669-3611 \* Fax: (970) 669-3612



Accountant's Report

BOARD OF DIRECTORS  
DAWSON RIDGE METROPOLITAN DISTRICT NO.5

I have compiled the statements of revenues and expenditures for the year ended December 31, 2012 and the ten months ended October 31, 2013 for Dawson Ridge Metropolitan District No. 5. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

I have also compiled the accompanying adopted budgets of revenue, expenditures and funds available prepared on the modified accrual basis of the Dawson Ridge Metropolitan District No. 5 for the year ending December 31, 2014 in accordance with standards established by the American Institute of Certified Public Accountants.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to the Dawson Ridge Metropolitan District No. 5.

Brendan Campbell, CPA  
January 17, 2014

DAWSON RIDGE METROPOLITAN DISTRICT NO. 5  
2014 BUDGET MESSAGE

Dawson Ridge Metropolitan District No. 5 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established in August 1985. The District was established as part of a "Multiple District Structure" along with District Nos. 1-4. The District was organized to provide the acquisition, construction and installation of streets, traffic safety controls, street lighting, water, landscaping, storm drainage, and park and recreation facilities. The District will dedicate and transfer the majority of facilities to the Town of Castle Rock for maintenance and operation.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2014 BUDGET STRATEGY

The District's strategy in preparing the 2014 budget is to strive to provide the level of streets, water, landscaping, and park and recreation facilities as desired by the constituents of the District in the most economic manner possible.

*General Fund*

The District has budgeted \$2 in property taxes, \$17,200 in service fees from District Nos. 1-4, and \$19 in interest and other revenue for a combined total of \$17,221. The District's General Fund expenditures consist of administrative and operations costs of \$11,725.

*Reserves*

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2014, as defined under TABOR and holds the TABOR reserve for District Nos. 1-5.

<b>DAWSON RIDGE METROPOLITAN DISTRICT NO. 5</b>					
<b>STATEMENT OF REVENUES &amp; EXPENDITURES WITH BUDGETS</b>					17-Jan-14
<b>December 31, 2012 Actual, 2013 Adopted Budget and Projected Actual,</b>					
<b>Year-to-date Actual, 2014 Adopted Budget</b>					
<b>Modified Accrual Budgetary Basis</b>					
<b>GENERAL FUND</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>Actual</b>	<b>2014</b>
	<b>Unaudited</b>	<b>Adopted</b>	<b>Projected</b>	<b>Through</b>	<b>Adopted</b>
<b>Revenues</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>10/31/2013</b>	<b>Budget</b>
Property Taxes	\$2	\$2	\$2	\$2	\$2
Service Fees, District No. 1	14,923	14,216	14,223	14,223	14,372
Service Fees, District No. 2	220	252	252	252	144
Service Fees, District No. 3	3,564	3,092	3,098	3,097	2,498
Service Fees, District No. 4	223	237	237	237	186
Interest & Other	11	45	45	9	19
<b>Total Revenues</b>	<b>\$18,944</b>	<b>\$17,844</b>	<b>\$17,857</b>	<b>\$17,820</b>	<b>\$17,221</b>
<b>Expenditures</b>					
Accounting and Finance	\$5,403	\$3,500	\$4,500	\$3,526	\$3,750
Directors Fees	1,615	2,000	2,000	823	1,000
District Management/Admin	2,380	2,000	2,300	1,689	2,500
Insurance	3,621	3,800	4,000	3,158	3,300
Office, Dues and Other	954	1,728	2,700	1,183	1,175
<b>Total Operating Expenditures</b>	<b>\$13,973</b>	<b>\$13,028</b>	<b>\$15,500</b>	<b>\$10,378</b>	<b>\$11,725</b>
<b>Revenues over/(under) Exp.</b>	<b>\$4,971</b>	<b>\$4,816</b>	<b>\$2,357</b>	<b>\$7,441</b>	<b>\$5,496</b>
<b>Beginning Fund Balance</b>	<b>25,481</b>	<b>37,259</b>	<b>30,452</b>	<b>30,452</b>	<b>32,809</b>
<b>Ending Fund Balance</b>	<b>\$30,452</b>	<b>\$42,076</b>	<b>\$32,809</b>	<b>\$37,893</b>	<b>\$38,305</b>
<b>See Accompanying Accountant's Report</b>					