

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

FOR LOCAL GOVERNMENTS WITH EITHER REVENUES OR EXPENDITURES **MORE THAN \$100,000 BUT NOT MORE THAN \$750,000**

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed \$750,000 for the year.

If your local government has either revenues or expenditures of **LESS** than \$100,000, use the **SHORT FORM**.

EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit EACH YEAR and submit it to the Office of the State Auditor (OSA) for approval.

Any preparer of an Application for Exemption from Audit must be an independent accountant with knowledge of governmental accounting.

Approval for an exemption from audit is granted only upon the review by the OSA.

READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

ALL APPLICATIONS MUST BE FILED WITH THE OSA WITHIN 3 MONTHS AFTER THE ACCOUNTING YEAR-END. FOR EXAMPLE, APPLICATIONS MUST BE RECEIVED BY THE OSA ON OR BEFORE MARCH 31 FOR GOVERNMENTS WITH A DECEMBER 31 YEAR-END.

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE MODIFIED ACCRUAL BASIS

PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A BUDGETARY BASIS

POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.

FOR YOUR REFERENCE, COLORADO REVISED STATUTES CAN BE FOUND AT THIS ADDRESS:

APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

<http://www.lexisnexis.com/hottopics/Colorado/>

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

CHECKLIST

- Has the preparer signed the application?
- Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- Has the application been PERSONALLY reviewed and approved by the governing body?
- Are all sections of the form complete, including responses to all of the questions?
- Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically?
 - If yes, have you read and understand the new Electronic Signature Policy? See new [here](#) policy
 - or--
 - Have you included a resolution?
 - Does the resolution state that the governing body PERSONALLY reviewed and approved the resolution in an open public meeting?
 - Has the resolution been signed by a MAJORITY of the governing body? (See sample resolution.)
- Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
 - If yes, does the application include ORIGINAL INK SIGNATURES from the MAJORITY of the governing body?

Checkout our new [web portal](#). Register your account and submit electronic Applications for Exemption From Audit, Extension of Time to File requests, Audited Financial Statements, and more! See the link below.

[OSA LG Web Portal](#)

FILING METHODS

NEW METHOD!

WEB PORTAL: Register and submit your Applications at our new portal:

<https://apps.leg.co.gov/osa/lg>

MAIL: Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203

QUESTIONS? Email: osa.lg@state.co.us or Phone: 303-869-3000

IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis -- A Budget to GAAP reconciliation is provided in Part 3

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year.

In that event, AN AUDIT SHALL BE REQUIRED.

APPLICATION FOR EXEMPTION FROM AUDIT LONG FORM

| | |
|--------------------|--|
| NAME OF GOVERNMENT | W/J Metropolitan District |
| ADDRESS | 28 Second Street, Ste 213 Edwards, CO 81632 |
| CONTACT PERSON | Marchetti & Weaver, LLC |
| PHONE | 970.926.6060 |
| EMAIL | debbie@mwcpaa.com |
| FAX | 970.926.6040 |

For the Year Ended
12/31/2021
or fiscal year ended:

CERTIFICATION OF PREPARER

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

| | |
|---------------------------|--|
| NAME: | Kenneth J Marchetti |
| TITLE | Principal/CPA |
| FIRM NAME (if applicable) | Marchetti & Weaver, LLC |
| ADDRESS | 28 Second St, Suite 213, Edwards, CO 81632 |
| PHONE | (970) 926-6060 |
| DATE PREPARED | 2/24/2022 |
| RELATIONSHIP TO ENTITY | Outside Accountant, all major decisions made by the Board of Directors |

PREPARER (SIGNATURE REQUIRED)

Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]

| | | |
|--------------------------|-------------------------------------|---------------------|
| YES | NO | If Yes, date filed: |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | |

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

| Line # | Description | Governmental Funds | | Description | Proprietary/Fiduciary Funds | |
|---------------------------------------|--|--------------------|-------|--|-----------------------------|-------|
| | | General Fund | Fund* | | Fund* | Fund* |
| Assets | | | | Assets | | |
| 1-1 | Cash & Cash Equivalents | \$ 171,999 | \$ - | Cash & Cash Equivalents | \$ - | \$ - |
| 1-2 | Investments | \$ 937,485 | \$ - | Investments | \$ - | \$ - |
| 1-3 | Receivables | \$ 3,305 | \$ - | Receivables | \$ - | \$ - |
| 1-4 | Due from Other Entities or Funds | \$ - | \$ - | Due from Other Entities or Funds | \$ - | \$ - |
| 1-5 | Property Tax Receivable | \$ 308,638 | \$ - | Other Current Assets [specify...] | | |
| | All Other Assets [specify...] | | | | \$ - | \$ - |
| 1-6 | Prepaid Insurance | \$ 10,491 | \$ - | | | |
| 1-7 | | \$ - | \$ - | Total Current Assets | \$ - | \$ - |
| 1-8 | | \$ - | \$ - | Capital Assets, net (from Part 6-4) | \$ - | \$ - |
| 1-9 | | \$ - | \$ - | Other Long Term Assets [specify...] | \$ - | \$ - |
| 1-10 | | \$ - | \$ - | | \$ - | \$ - |
| 1-11 | (add lines 1-1 through 1-10) TOTAL ASSETS | \$ 1,431,919 | \$ - | (add lines 1-1 through 1-10) TOTAL ASSETS | \$ - | \$ - |
| Deferred Outflows of Resources | | | | Deferred Outflows of Resources | | |
| 1-12 | [specify...] | \$ - | \$ - | [specify...] | \$ - | \$ - |
| 1-13 | [specify...] | \$ - | \$ - | [specify...] | \$ - | \$ - |
| 1-14 | (add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS | \$ - | \$ - | (add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS | \$ - | \$ - |
| 1-15 | TOTAL ASSETS AND DEFERRED OUTFLOWS | \$ 1,431,919 | \$ - | TOTAL ASSETS AND DEFERRED OUTFLOWS | \$ - | \$ - |
| Liabilities | | | | Liabilities | | |
| 1-16 | Accounts Payable | \$ 33,965 | \$ - | Accounts Payable | \$ - | \$ - |
| 1-17 | Accrued Payroll and Related Liabilities | \$ 2,217 | \$ - | Accrued Payroll and Related Liabilities | \$ - | \$ - |
| 1-18 | Unearned Property Tax Revenue | \$ - | \$ - | Accrued Interest Payable | \$ - | \$ - |
| 1-19 | Due to Other Entities or Funds | \$ - | \$ - | Due to Other Entities or Funds | \$ - | \$ - |
| 1-20 | All Other Current Liabilities | \$ - | \$ - | All Other Current Liabilities | \$ - | \$ - |
| 1-21 | (add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES | \$ 36,182 | \$ - | (add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES | \$ - | \$ - |
| 1-22 | All Other Liabilities [specify...] | \$ - | \$ - | Proprietary Debt Outstanding (from Part 4-4) | \$ - | \$ - |
| 1-23 | | \$ - | \$ - | Other Liabilities [specify...]: | \$ - | \$ - |
| 1-24 | | \$ - | \$ - | | \$ - | \$ - |
| 1-25 | | \$ - | \$ - | | \$ - | \$ - |
| 1-26 | | \$ - | \$ - | | \$ - | \$ - |
| 1-27 | (add lines 1-21 through 1-26) TOTAL LIABILITIES | \$ 36,182 | \$ - | (add lines 1-21 through 1-26) TOTAL LIABILITIES | \$ - | \$ - |
| Deferred Inflows of Resources | | | | Deferred Inflows of Resources | | |
| 1-28 | Deferred Property Taxes | \$ 307,930 | \$ - | Pension Related | \$ - | \$ - |
| 1-29 | Other [specify...] | \$ - | \$ - | Other [specify...] | \$ - | \$ - |
| 1-30 | (add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS | \$ 307,930 | \$ - | (add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS | \$ - | \$ - |
| Fund Balance | | | | Net Position | | |
| 1-31 | Nonspendable Prepaid | \$ 10,491 | \$ - | Net Investment in Capital Assets | \$ - | \$ - |
| 1-32 | Nonspendable Inventory | \$ - | \$ - | | | |
| 1-33 | Restricted TABOR Reserve | \$ 11,545 | \$ - | Emergency Reserves | \$ - | \$ - |
| 1-34 | Committed [specify...] | \$ - | \$ - | Other Designations/Reserves | \$ - | \$ - |
| 1-35 | Assigned [specify...] | \$ - | \$ - | Restricted | \$ - | \$ - |
| 1-36 | Unassigned: | \$ 1,065,771 | \$ - | Undesignated/Unreserved/Unrestricted | \$ - | \$ - |
| 1-37 | Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL FUND BALANCE | \$ 1,087,806 | \$ - | Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL NET POSITION | \$ - | \$ - |
| 1-38 | Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE | \$ 1,431,919 | \$ - | Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION | \$ - | \$ - |

Please use this space to provide explanation of any items on this page

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

| Line # | Description | Governmental Funds | | Description | Proprietary/Fiduciary Funds | | Please use this space to provide explanation of any items on this page | |
|--------------------------------|---|--------------------|-------|---|-----------------------------|-------|--|--|
| | | General Fund | Fund* | | Fund* | Fund* | | |
| Tax Revenue | | | | Tax Revenue | | | | |
| 2-1 | Property [include mills levied in Question 10-6] | \$ 316,965 | \$ - | Property [include mills levied in Question 10-6] | \$ - | \$ - | | |
| 2-2 | Specific Ownership | \$ 11,561 | \$ - | Specific Ownership | \$ - | \$ - | | |
| 2-3 | Sales and Use Tax | \$ - | \$ - | Sales and Use Tax | \$ - | \$ - | | |
| 2-4 | Other Tax Revenue [specify...]: | \$ - | \$ - | Other Tax Revenue [specify...]: | \$ - | \$ - | | |
| 2-5 | | | \$ - | | \$ - | \$ - | | |
| 2-6 | | \$ - | \$ - | | \$ - | \$ - | | |
| 2-7 | | \$ - | \$ - | | \$ - | \$ - | | |
| 2-8 | Add lines 2-1 through 2-7 TOTAL TAX REVENUE | \$ 328,526 | \$ - | Add lines 2-1 through 2-7 TOTAL TAX REVENUE | \$ - | \$ - | | |
| 2-9 | Licenses and Permits | \$ - | \$ - | Licenses and Permits | \$ - | \$ - | | |
| 2-10 | Highway Users Tax Funds (HUTF) | \$ - | \$ - | Highway Users Tax Funds (HUTF) | \$ - | \$ - | | |
| 2-11 | Conservation Trust Funds (Lottery) | \$ - | \$ - | Conservation Trust Funds (Lottery) | \$ - | \$ - | | |
| 2-12 | Community Development Block Grant | \$ - | \$ - | Community Development Block Grant | \$ - | \$ - | | |
| 2-13 | Fire & Police Pension | \$ - | \$ - | Fire & Police Pension | \$ - | \$ - | | |
| 2-14 | Grants | \$ - | \$ - | Grants | \$ - | \$ - | | |
| 2-15 | Donations | \$ - | \$ - | Donations | \$ - | \$ - | | |
| 2-16 | Charges for Sales and Services | \$ 43,217 | \$ - | Charges for Sales and Services | \$ - | \$ - | | |
| 2-17 | Rental Income | \$ - | \$ - | Rental Income | \$ - | \$ - | | |
| 2-18 | Fines and Forfeits | \$ 598 | \$ - | Fines and Forfeits | \$ - | \$ - | | |
| 2-19 | Interest/Investment Income | \$ 670 | \$ - | Interest/Investment Income | \$ - | \$ - | | |
| 2-20 | Tap Fees | \$ 11,806 | \$ - | Tap Fees | \$ - | \$ - | | |
| 2-21 | Proceeds from Sale of Capital Assets | \$ - | \$ - | Proceeds from Sale of Capital Assets | \$ - | \$ - | | |
| 2-22 | All Other [specify...]: | \$ - | \$ - | All Other [specify...]: | \$ - | \$ - | | |
| 2-23 | | \$ - | \$ - | | \$ - | \$ - | | |
| 2-24 | Add lines 2-8 through 2-23 TOTAL REVENUES | \$ 384,817 | \$ - | Add lines 2-8 through 2-23 TOTAL REVENUES | \$ - | \$ - | | |
| Other Financing Sources | | | | Other Financing Sources | | | | |
| 2-25 | Debt Proceeds | \$ - | \$ - | Debt Proceeds | \$ - | \$ - | | |
| 2-26 | Developer Advances | \$ - | \$ - | Developer Advances | \$ - | \$ - | | |
| 2-27 | Other [specify...]: | \$ - | \$ - | Other [specify...]: | \$ - | \$ - | | |
| 2-28 | Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES | \$ - | \$ - | Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES | \$ - | \$ - | GRAND TOTALS | |
| 2-29 | Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES | \$ 384,817 | \$ - | Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES | \$ - | \$ - | \$ 384,817 | |

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

PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES/EXPENSES

| | | Governmental Funds | | | | Proprietary/Fiduciary Funds | | Please use this space to provide explanation of any items on this page |
|--------|--|--------------------|-------|---|-------|-----------------------------|-------------------|--|
| Line # | Description | General Fund | Fund* | Description | Fund* | Fund* | | |
| | Expenditures | | | Expenses | | | | |
| 3-1 | General Government | \$ 71,299 | \$ - | General Operating & Administrative | \$ - | \$ - | | |
| 3-2 | Judicial | \$ - | \$ - | Salaries | \$ - | \$ - | | |
| 3-3 | Law Enforcement | \$ - | \$ - | Payroll Taxes | \$ - | \$ - | | |
| 3-4 | Fire | \$ - | \$ - | Contract Services | \$ - | \$ - | | |
| 3-5 | Highways & Streets | \$ 23,820 | \$ - | Employee Benefits | \$ - | \$ - | | |
| 3-6 | Solid Waste | \$ 18,665 | \$ - | Insurance | \$ - | \$ - | | |
| 3-7 | Contributions to Fire & Police Pension Assoc. | \$ - | \$ - | Accounting and Legal Fees | \$ - | \$ - | | |
| 3-8 | Health | \$ - | \$ - | Repair and Maintenance | \$ - | \$ - | | |
| 3-9 | Culture and Recreation | \$ - | \$ - | Supplies | \$ - | \$ - | | |
| 3-10 | Transfers to other districts | \$ - | \$ - | Utilities | \$ - | \$ - | | |
| 3-11 | Water Operations | \$ 48,682 | \$ - | Contributions to Fire & Police Pension Assoc. | \$ - | \$ - | | |
| 3-12 | Trash and Landscaping | \$ 23,866 | \$ - | Other [specify...] | \$ - | \$ - | | |
| 3-13 | | \$ - | \$ - | | \$ - | \$ - | | |
| 3-14 | Capital Outlay | \$ 5,896 | \$ - | Capital Outlay | \$ - | \$ - | | |
| | Debt Service | | | Debt Service | | | | |
| 3-15 | Principal (should match amount in 4-4) | \$ - | \$ - | Principal (should match amount in 4-4) | \$ - | \$ - | | |
| 3-16 | Interest | \$ - | \$ - | Interest | \$ - | \$ - | | |
| 3-17 | Bond Issuance Costs | \$ - | \$ - | Bond Issuance Costs | \$ - | \$ - | | |
| 3-18 | Developer Principal Repayments | \$ - | \$ - | Developer Principal Repayments | \$ - | \$ - | | |
| 3-19 | Developer Interest Repayments | \$ - | \$ - | Developer Interest Repayments | \$ - | \$ - | | |
| 3-20 | All Other [specify...]: | \$ - | \$ - | All Other [specify...]: | \$ - | \$ - | | |
| 3-21 | | \$ - | \$ - | | \$ - | \$ - | | |
| 3-22 | Add lines 3-1 through 3-21 TOTAL EXPENDITURES | \$ 192,227 | \$ - | Add lines 3-1 through 3-21 TOTAL EXPENSES | \$ - | \$ - | \$ 192,227 | |
| 3-23 | Interfund Transfers (In) | \$ - | \$ - | Net Interfund Transfers (In) Out | \$ - | \$ - | | |
| 3-24 | Interfund Transfers Out | \$ - | \$ - | Other [specify...][enter negative for expense] | \$ - | \$ - | | |
| 3-25 | Other Expenditures (Revenues): | \$ - | \$ - | Depreciation | \$ - | \$ - | | |
| 3-26 | | \$ - | \$ - | Other Financing Sources (Uses) (from line 2-28) | \$ - | \$ - | | |
| 3-27 | | \$ - | \$ - | Capital Outlay (from line 3-14) | \$ - | \$ - | | |
| 3-28 | | \$ - | \$ - | Debt Principal (from line 3-15, 3-18) | \$ - | \$ - | | |
| 3-29 | (Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES | \$ - | \$ - | (Line 3-27, plus line 3-28, less line 3-26, less line 3-25, plus line 3-24) TOTAL GAAP RECONCILING ITEMS | \$ - | \$ - | | |
| 3-30 | Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, less line 3-29 | \$ 192,589 | \$ - | Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, less line 3-23 | \$ - | \$ - | | |
| 3-31 | Fund Balance, January 1 from December 31 prior year report | \$ 895,217 | \$ - | Net Position, January 1 from December 31 prior year report | \$ - | \$ - | | |
| 3-32 | Prior Period Adjustment (MUST explain) | \$ - | \$ - | Prior Period Adjustment (MUST explain) | \$ - | \$ - | | |
| 3-33 | Fund Balance, December 31 Sum of Lines 3-30, 3-31, and 3-32 This total should be the same as line 1-37. | \$ 1,087,806 | \$ - | Net Position, December 31 Sum of Lines 3-30, 3-31, and 3-32 This total should be the same as line 1-37. | \$ - | \$ - | | |

IF GRAND TOTAL EXPENDITURES for all funds (Line 3-22) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

YES NO

Please use this space to provide any explanations or comments:

| | | | | | |
|-----|---|-------------------------------------|-------------------------------------|---------------------|-------------------------|
| 4-1 | Does the entity have outstanding debt? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |
| 4-2 | Is the debt repayment schedule attached? If no, MUST explain: | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |
| | <input style="width: 450px;" type="text" value="The loan was paid off in 2019"/> | | | | |
| 4-3 | Is the entity current in its debt service payments? If no, MUST explain: | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | |
| | <input style="width: 450px;" type="text"/> | | | | |
| 4-4 | Please complete the following debt schedule, if applicable: (please only include principal amounts) | | | | |
| | | Outstanding at beginning of year* | Issued during year | Retired during year | Outstanding at year-end |
| | General obligation bonds | \$ - | \$ - | \$ - | \$ - |
| | Revenue bonds | \$ - | \$ - | \$ - | \$ - |
| | Notes/Loans | \$ - | \$ - | \$ - | \$ - |
| | Leases | \$ - | \$ - | \$ - | \$ - |
| | Developer Advances | \$ - | \$ - | \$ - | \$ - |
| | Other (specify): | \$ - | \$ - | \$ - | \$ - |
| | TOTAL | \$ - | \$ - | \$ - | \$ - |

*must agree to prior year ending balance

| | | | | |
|--|---|-------------------------------------|-------------------------------------|--|
| Please answer the following questions by marking the appropriate boxes. | | YES | NO | |
| 4-5 | Does the entity have any authorized, but unissued, debt [Section 29-1-605(2) C.R.S.]? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| | How much? <input style="width: 100px;" type="text" value="\$ 2,400,000"/> | | | |
| If yes: | Date the debt was authorized: <input style="width: 100px;" type="text" value="11/2/2004"/> | | | |
| 4-6 | Does the entity intend to issue debt within the next calendar year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| If yes: | How much? <input style="width: 100px;" type="text" value="\$ -"/> | | | |
| 4-7 | Does the entity have debt that has been refinanced that it is still responsible for? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| If yes: | What is the amount outstanding? <input style="width: 100px;" type="text" value="\$ -"/> | | | |
| 4-8 | Does the entity have any lease agreements? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| If yes: | What is being leased? <input style="width: 350px;" type="text"/> | | | |
| | What is the original date of the lease? <input style="width: 350px;" type="text"/> | | | |
| | Number of years of lease? <input style="width: 350px;" type="text"/> | | | |
| | Is the lease subject to annual appropriation? <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| | What are the annual lease payments? <input style="width: 100px;" type="text" value="\$ -"/> | | | |

PART 5 - CASH AND INVESTMENTS

| | | | | |
|--|---|---------------|---------------------|--|
| Please provide the entity's cash deposit and investment balances. | | AMOUNT | TOTAL | |
| 5-1 | YEAR-END Total of ALL Checking and Savings accounts | \$ 171,999 | | |
| 5-2 | Certificates of deposit | \$ - | | |
| | TOTAL CASH DEPOSITS | | \$ 171,999 | |
| | Investments (if investment is a mutual fund, please list underlying investments): | | | |
| 5-3 | Colotrust | \$ 937,485 | | |
| | | \$ - | | |
| | | \$ - | | |
| | | \$ - | | |
| | TOTAL INVESTMENTS | | \$ 937,485 | |
| | TOTAL CASH AND INVESTMENTS | | \$ 1,109,485 | |

| | | | | | |
|---|--|-------------------------------------|--------------------------|--------------------------|--|
| Please answer the following question by marking in the appropriate box | | YES | NO | N/A | |
| 5-4 | Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 5-5 | Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, MUST explain: | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| | <input style="width: 450px;" type="text"/> | | | | |

PART 6 - CAPITAL ASSETS

Please answer the following question by marking in the appropriate box YES NO Please use this space to provide any explanations or comments:

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

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

| | Balance - beginning of the year ¹ | Additions ² | Deletions | Year-End Balance |
|---|--|------------------------|-------------|---------------------|
| Land | \$ - | \$ - | \$ - | \$ - |
| Buildings | \$ 23,547 | \$ - | \$ - | \$ 23,547 |
| Machinery and equipment | \$ 90,535 | \$ 5,312 | \$ - | \$ 95,847 |
| Furniture and fixtures | \$ - | \$ - | \$ - | \$ - |
| Infrastructure | \$ 3,826,070 | \$ - | \$ - | \$ 3,826,070 |
| Construction In Progress (CIP) | \$ - | \$ - | \$ - | \$ - |
| Other (explain): Water Rights | \$ 224,337 | \$ - | \$ - | \$ 224,337 |
| Accumulated Depreciation (Enter a negative, or credit, balance) | \$ (1,471,460) | \$ (139,331) | \$ - | \$ (1,610,791) |
| TOTAL | \$ 2,693,029 | \$ (134,019) | \$ - | \$ 2,559,010 |

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

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

* Must agree to prior year-end balance
 - Generally capital asset additions should be reported at capital outlay on line 3-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy

PART 7 - PENSION INFORMATION

* YES NO Please use this space to provide any explanations or comments:

- 7-1 Does the entity have an "old hire" firefighters' pension plan? YES NO
- 7-2 Does the entity have a volunteer firefighters' pension plan? YES NO
- If yes: Who administers the plan? YES NO

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? \$ -

PART 8 - BUDGET INFORMATION

| Please answer the following question by marking in the appropriate box | | YES | NO | N/A | Please use this space to provide any explanations or comments: | | | | | | | | | | |
|--|--|-------------------------------------|------------------------------|--------------------------|--|--|------|--|------|--|------|--|--|--|--|
| 8-1 | Did the entity file a current year budget with the Department of Local Affairs, in accordance with Section 29-1-113 C.R.S.? If no, MUST explain: | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | | | | | | |
| 8-2 | Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | | | | | | |
| If yes: | Please indicate the amount appropriated for each fund separately for the year reported | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #cccccc;"> <th style="text-align: left; padding: 5px;">Governmental/Proprietary Fund Name</th> <th style="text-align: right; padding: 5px;">Total Appropriations By Fund</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">General Fund</td> <td style="text-align: right; padding: 5px;">\$ 325,219</td> </tr> <tr> <td style="padding: 5px;"></td> <td style="text-align: right; padding: 5px;">\$ -</td> </tr> <tr> <td style="padding: 5px;"></td> <td style="text-align: right; padding: 5px;">\$ -</td> </tr> <tr> <td style="padding: 5px;"></td> <td style="text-align: right; padding: 5px;">\$ -</td> </tr> </tbody> </table> | | Governmental/Proprietary Fund Name | Total Appropriations By Fund | General Fund | \$ 325,219 | | \$ - | | \$ - | | \$ - | | | | |
| Governmental/Proprietary Fund Name | Total Appropriations By Fund | | | | | | | | | | | | | | |
| General Fund | \$ 325,219 | | | | | | | | | | | | | | |
| | \$ - | | | | | | | | | | | | | | |
| | \$ - | | | | | | | | | | | | | | |
| | \$ - | | | | | | | | | | | | | | |

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

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

PART 10 - GENERAL INFORMATION

| Please answer the following question by marking in the appropriate box | | YES | NO | Please use this space to provide any explanations or comments: | | | | | | |
|---|--|-------------------------------------|-------------------------------------|--|--------|--------------------|---------------|--|--|--|
| 10-1 | Is this application for a newly formed governmental entity? If yes: Date of formation: <input style="width: 150px; height: 30px; margin-left: 20px;" type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | | | | |
| 10-2 | Has the entity changed its name in the past or current year? If Yes: NEW name <input style="width: 400px; height: 20px; margin-left: 10px;" type="text"/> PRIOR name <input style="width: 400px; height: 20px; margin-left: 10px;" type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | | | | |
| 10-3 | Is the entity a metropolitan district? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | | | | | | |
| 10-4 | Please indicate what services the entity provides: <input style="width: 450px; height: 20px; margin-left: 10px;" type="text" value="Roads, Water System, Waste Water and Snow Removal"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | | | | |
| 10-5 | Does the entity have an agreement with another government to provide services? If yes: List the name of the other governmental entity and the services provided: <input style="width: 450px; height: 20px; margin-left: 10px;" type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | | | | |
| 10-6 | Does the entity have a certified mill levy? If yes: Please provide the number of <u>mills</u> levied for the year reported (do not enter \$ amounts): | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tbody> <tr> <td style="text-align: right; padding: 5px;">Bond Redemption mills</td> <td style="text-align: right; padding: 5px;">0.000</td> </tr> <tr> <td style="text-align: right; padding: 5px;">General/Other mills</td> <td style="text-align: right; padding: 5px;">48.500</td> </tr> <tr> <td style="text-align: right; padding: 5px;">Total mills</td> <td style="text-align: right; padding: 5px;">48.500</td> </tr> </tbody> </table> | | Bond Redemption mills | 0.000 | General/Other mills | 48.500 | Total mills | 48.500 | | | |
| Bond Redemption mills | 0.000 | | | | | | | | | |
| General/Other mills | 48.500 | | | | | | | | | |
| Total mills | 48.500 | | | | | | | | | |

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

OSA USE ONLY

| Entity Wide: | | General Fund | | Governmental Funds | | Notes | | | |
|---------------------------------|----|---------------------|---------------------------|---------------------------|-----------|------------------------------|----|-----------|--|
| Unrestricted Cash & Investments | \$ | 1,109,485 | Unrestricted Fund Balance | \$ | 1,065,771 | Total Tax Revenue | \$ | 328,526 | |
| Current Liabilities | \$ | 36,182 | Total Fund Balance | \$ | 1,087,806 | Revenue Paying Debt Service | \$ | - | |
| Deferred Inflow | \$ | 307,930 | PY Fund Balance | \$ | 895,217 | Total Revenue | \$ | 384,817 | |
| | | | Total Revenue | \$ | 384,817 | Total Debt Service Principal | \$ | - | |
| | | | Total Expenditures | \$ | 192,227 | Total Debt Service Interest | \$ | - | |
| | | | Interfund In | \$ | - | | | | |
| Governmental | | | Interfund Out | \$ | - | Enterprise Funds | | | |
| Total Cash & Investments | \$ | 1,109,485 | Proprietary | | | Net Position | \$ | - | |
| Transfers In | \$ | - | - Current Assets | \$ | | - PY Net Position | \$ | - | |
| Transfers Out | \$ | - | Deferred Outflow | \$ | | Government-Wide | | | |
| Property Tax | \$ | 316,965 | - Current Liabilities | \$ | | - Total Outstanding Debt | \$ | - | |
| Debt Service Principal | \$ | - | Deferred Inflow | \$ | | - Authorized but Unissued | \$ | 2,400,000 | |
| Total Expenditures | \$ | 192,227 | - Cash & Investments | \$ | | - Year Authorized | | 11/2/2004 | |
| Total Developer Advances | \$ | - | - Principal Expense | \$ | | | | | |
| Total Developer Repayments | \$ | - | | | | | | | |

PART 12 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

| | YES | NO |
|---|-------------------------------------|--------------------------|
| 12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

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

Policy - Requirements

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

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

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

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

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

Print the names of ALL members of the governing body below.

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

| | Full Name | A MAJORITY of the members of the governing body must complete and sign in the column below. |
|---|----------------|--|
| 1 | Bob Vhrin | I, <u>Bob Vhrin</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: <u>May 2022</u> |
| 2 | Paul Jones | I, <u>Paul Jones</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: <u>May 2023</u> |
| 3 | Shelly Marolt | I, <u>Shelly Marolt</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: <u>May 2022</u> |
| 4 | Steve Marolt | I, <u>Steve Marolt</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: <u>May 2023</u> |
| 5 | Wayne Ethridge | I, <u>Wayne Ethridge</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: <u>May 2023</u> |
| 6 | | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |
| 7 | | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |

EXAMPLE - DO NOT FILL OUT THIS PAGE

This sample resolution/ordinance for exemption from audit is provided as an example of the documentation that is required, the wording may be used as a basis for your own local government document, if needed, however you MUST draft your own ordinance or resolution making any changes where applicable. Legal counsel should be consulted regarding any questions.

RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT

(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 20XX FOR THE **(name of government)**, STATE OF COLORADO.

WHEREAS, the **(governing body)** of **(name of government)** wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed seven hundred and fifty thousand dollars may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

[Choose 1 or 2 below, whichever is applicable]

(1) WHEREAS, neither revenue nor expenditures for **(name of government)** exceeded \$100,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for **(name of government)** has been prepared by **(name of individual)**, a person skilled in governmental accounting; and

OR

(2) WHEREAS, neither revenues nor expenditures for **(name of government)** exceeded \$750,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for **(name of government)** has been prepared by **(name of individual or firm)**, an independent accountant with knowledge of governmental accounting; and

WHEREAS, said application for exemption from audit has been completed in accordance with regulations, issued by the State Auditor.

NOW THEREFORE, be it resolved/ordained by the **(governing body)** of the **(name of government)** that the application for exemption from audit for **(name of government)** for the year ended _____, 20XX, has been personally reviewed and is hereby approved by a majority of the **(governing body)** of the **(name of government)**; that those members of the **(governing body)** have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of, the application for exemption from audit of the **(name of government)** for the year ended _____, 20XX.

ADOPTED THIS ___ day of _____, A.D. 20XX.

Mayor/President/Chairman, etc.

ATTEST:

Town Clerk, Secretary, etc.

| Type or Print Names of Members of Governing Body | Date Term Expires | Signature |
|---|-------------------------|-----------|
| | | |
| | | |
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