

APPLICATION FOR EXEMPTION FROM AUDIT LONG FORM

NAME OF GOVERNMENT	Otis Sanitation District	For the Year Ended 12/31/2016 or fiscal year ended:
ADDRESS	P.O. Box 182 Otis, Colorado 80743	
CONTACT PERSON	Lonnie Knudsen	
PHONE	970-595-0021	
EMAIL	lonniek6@msn.com	
FAX	N/A	

2230.00

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	Scott Szabo
TITLE	Certified Public Accountant
FIRM NAME (if applicable)	Lauer, Szabo & Associates, P.C.
ADDRESS	205 Main Street - P.O. Box 1886, Sterling, CO, 80751
PHONE	970-522-2218
DATE PREPARED (Must be completed prior to Board approval)	March 14, 2017
RELATIONSHIP TO ENTITY	We are an independent firm of certified public accountants.

PREPARER (SIGNATURE REQUIRED)

See Independent Accountants' Compilation Report.

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:
--	---------------------------------	---	---------------------



RECEIVED

By Justin L. Smith at 3:56 pm, Apr 11, 2017

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds	
		Fund*	Fund*		General Fund	Fund*
	Assets			Assets		
1-1	Cash & Cash Equivalents	\$ -	\$ -	Cash & Cash Equivalents	\$ 279,104	\$ -
1-2	Investments	\$ -	\$ -	Investments	\$ 35,428	\$ -
1-3	Receivables	\$ -	\$ -	Receivables	\$ 11,985	\$ -
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ 48	\$ -
	All Other Assets (specify)			Other Current Assets	\$ -	\$ -
1-5		\$ -	\$ -	Total Current Assets	\$ 326,545	\$ -
1-6		\$ -	\$ -	Capital Assets, net (from Part	\$ 1,463,088	\$ -
1-7		\$ -	\$ -	Other Long Term Assets (specify)	\$ -	\$ -
1-8		\$ -	\$ -		\$ -	\$ -
1-9		\$ -	\$ -		\$ -	\$ -
1-10		\$ -	\$ -		\$ -	\$ -
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 1,789,633	\$ -
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 1,789,633	\$ -
	Liabilities			Liabilities		
1-14	Accounts Payable	\$ -	\$ -	Accounts Payable	\$ 1,770	\$ -
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ 8,206	\$ -
1-17	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -
1-19	TOTAL CURRENT LIABILITIES	\$ -	\$ -	TOTAL CURRENT LIABILITIES	\$ 9,976	\$ -
1-20	All Other Liabilities (specify)	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ 789,290	\$ -
1-21		\$ -	\$ -	Other Liabilities (specify)	\$ -	\$ -
1-22		\$ -	\$ -		\$ -	\$ -
1-23		\$ -	\$ -		\$ -	\$ -
1-24		\$ -	\$ -		\$ -	\$ -
1-25		\$ -	\$ -		\$ -	\$ -
1-26		\$ -	\$ -		\$ -	\$ -
1-27		\$ -	\$ -		\$ -	\$ -
1-28	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ -	\$ -	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ 799,266	\$ -
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 3,647	\$ -
	Fund Balance			Net Position		
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ 673,798	\$ -
1-31	Nonspendable Inventory	\$ -	\$ -			
1-32	Restricted (specify)	\$ -	\$ -	Emergency Reserves	\$ 3,200	\$ -
1-33	Committed (specify)	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -
1-34	Assigned (specify)	\$ -	\$ -	Restricted	\$ 25,942	\$ -
1-35	Unassigned	\$ -	\$ -	Undesignated/Unreserved/Unrestricted	\$ 283,780	\$ -
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL FUND BALANCE	\$ -	\$ -	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL NET POSITION	\$ 986,720	\$ -
1-37	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ -	\$ -	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 1,789,633	\$ -

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
		Fund*	Fund*		General Fund	Fund*	
	Tax Revenue			Tax Revenue			
2-1	Property	\$	- \$	Property	\$	3,537	
2-2	Specific Ownership	\$	- \$	Specific Ownership	\$	414	
2-3	Sales and Use Tax	\$	- \$	Sales and Use Tax	\$	-	
2-4	Other Tax Revenue (specify):	\$	- \$	Other Tax Revenue (specify):	\$	-	
2-5		\$	- \$	Delinquent Taxes and Interest	\$	27	
2-6		\$	- \$		\$	-	
2-7		\$	- \$		\$	-	
2-8	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$	- \$	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$	3,978	
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	\$	- \$	Charges for Sales and Services	\$	99,933	
2-17	Rental Income	\$	- \$	Rental Income	\$	-	
2-18	Fines and Forfeits	\$	- \$	Fines and Forfeits	\$	-	
2-19	Interest/Investment Income	\$	- \$	Interest/Investment Income	\$	515	
2-20	Tap Fees	\$	- \$	Tap Fees	\$	-	
2-21	Developer Advances	\$	- \$	Developer Advances	\$	-	
2-22	All Other (specify):	\$	- \$	All Other (specify):	\$	-	
2-23		\$	- \$	Miscellaneous Revenue	\$	136	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$	- \$	Add lines 2-8 through 2-23 TOTAL REVENUES	\$	104,562	
	Other Financing Sources			Other Financing Sources			
2-25	Debt Proceeds	\$	- \$	Debt Proceeds	\$	-	
2-26	Proceeds from Sale of Capital Assets	\$	- \$	Proceeds from Sale of Capital Assets	\$	-	
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	\$	-	
2-29	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$	- \$	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$	104,562	
							GRAND TOTALS
							\$ 104,562

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

		Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page	
Line #	Description	Fund*	Fund*	Description	General Fund		Fund*
	Expenditures			Expenditures			
3-1	General Government	\$	- \$	General Operating & Administrative	\$ 414	\$ -	
3-2	Judicial	\$	- \$	Salaries	\$ 14,400	\$ -	
3-3	Law Enforcement	\$	- \$	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$	- \$	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$	- \$	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$	- \$	Insurance	\$ 6,015	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$	- \$	Accounting and Legal Fees	\$ 1,402	\$ -	
3-8	Health	\$	- \$	Repair and Maintenance	\$ 10,721	\$ -	
3-9	Culture and Recreation	\$	- \$	Supplies	\$ -	\$ -	
3-10	Other (specify):	\$	- \$	Utilities	\$ 2,769	\$ -	
3-11		\$	- \$	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$	- \$	Other (specify)	\$ -	\$ -	
3-13		\$	- \$		\$ -	\$ -	
3-14	Capital Outlay	\$	- \$	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal	\$	- \$	Principal	\$ 12,910	\$ -	
3-16	Interest	\$	- \$	Interest	\$ 21,840	\$ -	
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	\$	- \$	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 70,471	\$ -	GRAND TOTAL \$ 70,471
3-23	Interfund Transfers (In)	\$	- \$	Net Interfund Transfers (In)	\$ -	\$ -	
3-24	Interfund Transfers out	\$	- \$	Net Interfund Transfers out	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$	- \$	Depreciation	\$ 31,003	\$ -	
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)	\$ 12,910	\$ -	
3-29	(Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES	\$	- \$	(Line 3-26, plus line 3-27, less line 3-24, less line 3-25) TOTAL GAAP RECONCILING ITEMS	\$ (18,093)	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 3-29, less line 3-22, plus line 3-29	\$	- \$	Net Increase (Decrease) in Net Position Line 3-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-23	\$ 15,998	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$	- \$	Net Position, January 1 from December 31 prior year report	\$ 970,722	\$ -	
3-32	Prior Period Adjustment (MUST explain)	\$	- \$	Prior Period Adjustment (MUST explain)	\$ -	\$ -	
3-33	Fund Balance, December 31 Sum of Line 3-30, 3-31, and 3-32 This total should be the same as line 1-36.	\$	- \$	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ 986,720	\$ -	

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
4-1	Does the entity have outstanding debt?	☒	☐
4-2	Is the debt repayment schedule attached? If no, MUST explain:	☒	☐
4-3	Is the entity current in its debt service payments? If no, MUST explain:	☒	☐
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)		
		Outstanding at beginning of year	Issued during year
		Retired during year	Outstanding at year-end
	General obligation bonds	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ 802,200	\$ 12,910
	Leases	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	TOTAL	\$ 802,200	\$ 12,910
Please answer the following questions by marking the appropriate boxes.			
4-5	Does the entity have any authorized, but unissued, debt?	☐	☒
If yes:	How much? \$ -		
	Date the debt was authorized:		
4-6	Does the entity intend to issue debt within the next calendar year?	☐	☒
If yes:	How much? \$ -		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	☐	☒
If yes:	What is the amount outstanding? \$ -		
4-8	Does the entity have any lease agreements?	☐	☒
If yes:	What is being leased?		
	What is the original date of the lease?		
	Number of years of lease?		
	Is the lease subject to annual appropriation?		
	What are the annual lease payments? \$ -		
4-9	Does the entity have a certified mill levy?	☒	☐
If yes:	Please provide the following mills levied for the year reported:		
	Bond Redemption	0.000	
	General/Other	2.533	
	TOTAL	2.533	

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.		AMOUNT	TOTAL
5-1	YEAR-END Total of ALL Checking and Savings accounts	\$ 279,104	
5-2	Certificates of deposit	\$ 35,428	
	TOTAL CASH DEPOSITS		\$ 314,532
	Investments (If investment is a mutual fund, please list underlying investments):		
5-3		\$ -	
		\$ -	
		\$ -	
	TOTAL INVESTMENTS		\$ -
	TOTAL CASH AND INVESTMENTS		\$ 314,532
Please answer the following question by marking in the appropriate box			
5-4	Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	☐	☒
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:	☒	☐

Please use this space to provide any explanations or comments:

PART 6 - CAPITAL ASSETS

Please answer the following question by marking in the appropriate box		YES	NO
6-1	Does the entity have capitalized assets?	☒	☐
6-2	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, MUST explain:	☒	☐
6-3	Complete the following Capital Assets table for GOVERNMENTAL FUNDS:	Balance - beginning of the year	Additions
		Deletions	Year-End Balance
	Land	\$ -	\$ -
	Buildings	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -
	Infrastructure	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -
	Other (explain):	\$ -	\$ -
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -
	TOTAL	\$ -	\$ -
6-4	Complete the following Capital Assets table for PROPRIETARY FUNDS:	Balance - beginning of the year	Additions
		Deletions	Year-End Balance
	Land	\$ 53,368	\$ -
	Buildings	\$ 35,000	\$ -
	Machinery and equipment	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -
	Infrastructure	\$ 1,589,394	\$ -
	Construction In Progress (CIP)	\$ -	\$ -
	Other (explain):	\$ -	\$ -
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (183,671)	\$ (31,003)
	TOTAL	\$ 1,494,091	\$ 1,463,088

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO
7-1	Does the entity have an "old hire" firemen's pension plan?	☐	☒
7-2	Does the entity have a volunteer firemen's pension plan?	☐	☒
If yes:	Who administers the plan?		
	Indicate the contributions from:		
	Tax (property, SO sales, etc.)	\$ -	
	State contribution amount:	\$ -	
	Other (gifts, donations, etc.)	\$ -	
	TOTAL	\$ -	
	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -	

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	N/A
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:	☒	☐	☐
8-2	Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:	☒	☐	☐

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

Fund Name	Budgeted Expenditures
General Fund	\$ 380,827
	\$ -
	\$ -
	\$ -

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)]?	☒	☐

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.

Please use this space to provide any explanations or comments:

PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO
10-1	Is this application for a newly formed governmental entity?	☐	☒
If yes: Date of formation:			
10-2	Has the entity changed its name in the past or current year?	☐	☒
If Yes: NEW name			
PRIOR name			
10-3	Is the entity a metropolitan district?	☐	☒
10-4	Please indicate what services the entity provides. Sanitary sewer services.		
10-5	Does the entity have an agreement with another government to provide services?	☐	☒
If yes: List the name of the other governmental entity and the services provided:			

Please use this space to provide any explanations or comments:

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	\$ 314,532	Unrestricted Fund Balance	\$ -	Total Tax Revenue	\$ -	
Current Liabilities	\$ 9,976	Total Fund Balance	\$ -	Revenue Paying Debt Service	\$ -	
Deferred Inflow	\$ 3,647	PY Fund Balance	\$ -	Total Revenue	\$ -	
		Total Revenue	\$ -	Total Debt Service Principal	\$ -	
		Total Expenditures	\$ -	Total Debt Service Interest	\$ -	
		Interfund In	\$ -			
		Interfund Out	\$ -	Enterprise Funds		
Governmental:		Proprietary		Net Position	\$ 986,720	
Total Cash & Investments	\$ -	Current Assets	\$ 326,545	PY Net Position	\$ 970,722	
Transfers In	\$ -	Deferred Outflow	\$ -	Government-Wide		
Transfers Out	\$ -	Current Liabilities	\$ 9,976	Total Outstanding Debt	\$ 789,290	
Property Tax	\$ -	Deferred Inflow	\$ 3,647	Authorized but Unissued	\$ -	
Debt Service Principal	\$ -	Cash & Investments	\$ 314,532	Year Authorized	\$ -	
Total Expenditures	\$ -	Principal Expense	\$ 12,910			
Total Developer Advances	\$ -					
Total Developer Repayments	\$ -					

PART 12 - 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 \$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 current governing board members below.

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

		Print Board Member's Name	
Board Member	1	Jesse Stackhouse	I, <u>Jesse Stackhouse</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Jesse Stackhouse</u> Date: <u>3-29-2017</u> My term Expires: <u>May 2018</u>
Board Member	2	Lonnie Knudsen	I, <u>Lonnie L. Knudsen</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Lonnie L. Knudsen</u> Date: <u>3-29-2017</u> My term Expires: <u>May 2018</u>
Board Member	3	Mark Norman	I, <u>Mark A. Norman</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Mark A. Norman</u> Date: <u>3-29-2017</u> My term Expires: <u>2018</u>
Board Member	4	Dave Allen	I, <u>Dave Allen</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Dave R. Allen</u> Date: <u>3-29-2017</u> My term Expires: <u>2018</u>
Board Member	5	Mike Brown	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: _____
Board Member	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: _____
Board Member	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: _____

**Original Signatures
Verified by**

Justin L. Smith



OTIS SANITATION DISTRICT
Analysis of Notes Payable
December 31, 2016

USDA Rural Development Loan			
	Principal	Interest	Total
2017	\$ 13,267.16	\$ 21,616.84	\$ 34,884.00
2018	13,634.52	21,249.48	34,884.00
2019	14,012.05	20,871.95	34,884.00
2020	14,344.18	20,539.82	34,884.00
2021	14,797.20	20,086.80	34,884.00
2022	15,206.93	19,677.07	34,884.00
2023	15,627.99	19,256.01	34,884.00
2024	16,009.44	18,874.56	34,884.00
2025	16,504.00	18,380.00	34,884.00
2026	16,960.97	17,923.03	34,884.00
2027	17,430.61	17,453.39	34,884.00
2028	17,867.09	17,016.91	34,884.00
2029	18,407.97	16,476.03	34,884.00
2030	18,917.67	15,966.33	34,884.00
2031	19,441.48	15,442.52	34,884.00
2032	19,939.34	14,944.66	34,884.00
2033	20,531.90	14,352.10	34,884.00
2034	21,100.41	13,783.59	34,884.00
2035	21,684.66	13,199.34	34,884.00
2036	22,250.98	12,633.02	34,884.00
2037	22,901.20	11,982.80	34,884.00
2038	23,535.31	11,348.69	34,884.00
2039	24,186.98	10,697.02	34,884.00
2040	24,829.68	10,054.32	34,884.00
2041	25,544.21	9,339.79	34,884.00
2042	26,251.50	8,632.50	34,884.00
2043	26,978.37	7,905.63	34,884.00
2044	27,706.29	7,177.71	34,884.00
2045	28,492.55	6,391.45	34,884.00
2046	29,281.48	5,602.52	34,884.00
2047	30,092.25	4,791.75	34,884.00
2048	30,915.22	3,968.78	34,884.00
2049	31,781.49	3,102.51	34,884.00
2050	32,661.49	2,222.51	34,884.00
2051	33,565.86	1,318.14	34,884.00
2052	22,629.66	389.14	23,018.80
Totals	\$ 789,290.09	\$ 454,668.71	\$ 1,243,958.80

See Independent Accountants' Compilation Report.



LAUER, SZABO & ASSOCIATES, PC

Certified Public Accountants

205 Main St. • P.O. Box 1886 • Sterling, CO 80751-7886
Phone 970-522-2218 • FAX 970-522-2220

Independent Accountants' Compilation Report

To the Board of Directors
Otis Sanitation District
Otis, Colorado

Management is responsible for the accompanying financial statements of Otis Sanitation District, which comprise the balance sheet as of December 31, 2016, and the related operating statements for the year then ended, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements included in the accompanying prescribed form are presented in accordance with requirements of the Colorado Office of the State Auditor, and are not intended to be a complete presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of Otis Sanitation District and the Colorado Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
March 14, 2017