

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT	<b>Bluestone Water Conservancy District</b>	For the Year Ended 12/31/16 or fiscal year ended:
ADDRESS	<b>P.O. Box 284 Parachute, CO 81635</b>	
CONTACT PERSON	<b>Ed Baker</b>	2570.00
PHONE	<b>970-309-0188</b>	
EMAIL	<b>Bakeedburdicked@yahoo.com</b>	
FAX	<b>N/A</b>	

### PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:	Steven D Hovland, CPA
TITLE	Principal
FIRM NAME (if applicable)	Dalby, Wendland & Co., P.C.
ADDRESS	P.O. Box 430, Grand Junction, CO 81502
PHONE	970-243-1921
DATE PREPARED (Must be prepared prior to Board approval)	February 14, 2017

**See attached Compilation Report with signature.**

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

## PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar
2-1	Ta Property	6,642
2-2	Specific ownership	333
2-3	Sales and use	-
2-4	Other (specify): Delinquent Taxes	1
2-5	Licenses and permits	-
2-6	Intergovernment 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	16
2-14	Charges for utility services	-
2-15	Debt proceeds (should agree with line 4-4, column 2)	-
2-16	Lease proceeds	-
2-17	Developer Advances received (should agree with line 4-4)	-
2-18	Proceeds from sale of capital assets	-
2-19	Fire and police pension	-
2-20	Donations	-
2-21	Other (specify):	-
2-22		-
2-23		-
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 6,992

Please use this space to provide any necessary explanations

## PART 3 - EXPENDITURES

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

Line#	Description	Round to nearest Dollar
3-1	Administrative	-
3-2	Salaries	-
3-3	Payroll taxes	-
3-4	Contract services	-
3-5	Employee benefits	-
3-6	Insurance	100
3-7	Accounting and legal fees	2,171
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	-
3-17	Debt service principal (should agree with Part 4)	-
3-18	Debt service interest	-
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	-
3-20	Repayment of Developer Advance Interest	-
3-21	Contribution to pension plan (should agree to line 7-2)	-
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	-
3-23	Other (specify):	-
3-24	County Treasurer Fees	133
3-25	Directors Fees	2,000
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$ 4,404

Please use this space to provide any necessary explanations

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

## PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

		Yes	No
4-1	Does the entity have outstanding debt? <b>If Yes, please attach a copy of the entity's Debt Repayment Schedule.</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain: N/A	<input type="checkbox"/>	<input type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain: N/A	<input type="checkbox"/>	<input type="checkbox"/>
4-4	<b>Please complete the following debt schedule, if applicable:</b> (please only include principal amounts)(enter all amount as positive numbers)		
		Outstanding at end of prior year	Issued during year
		Retired during year	Outstanding at year-end
	General obligation bonds	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ -	\$ -
	Leases	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>

Please answer the following questions by marking the appropriate boxes.

		Yes	No
4-5	Does the entity have any authorized, but unissued, debt?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much? \$ -		
	Date the debt was authorized:		
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? \$ -		
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? \$ -		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the annual lease payments? \$ -		
4-9	Does the entity have a certified Mill Levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	Please provide the following mills levied for the year reported:		
	Bond Redemption		-
	General/Other		6,642.00
	<b>TOTAL</b>		<b>6,642.00</b>

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

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

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ 34,462	
5-2	Certificates of deposit	\$ 15,457	
	<b>Total Cash Deposits</b>		<b>\$ 49,919</b>
	Investments (if investment is a mutual fund, please list underlying investments):		
5-3		\$ -	
		\$ -	
		\$ -	
		\$ -	
	<b>Total Investments</b>		<b>\$ -</b>
	<b>Total Cash and Investments</b>		<b>\$ 49,919</b>

Please answer the following questions by marking in the appropriate boxes

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

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

## PART 6 - CAPITAL ASSETS

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

		Yes	No		
6-1	Does the entity have capital assets?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
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: N/A	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
6-3	Complete the following capital assets table:				
		Balance - beginning of the year	Additions (Must be included in Part 3)	Deletions	Year-End Balance
	Land	\$ -	\$ -	\$ -	\$ -
	Buildings	\$ -	\$ -	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
	Other (explain):	\$ -	\$ -	\$ -	\$ -
	Accumulated Depreciation (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7-2	Does the entity have a volunteer firemen's pension plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Who administers the plan?		
	Indicate the contributions from:		
	Tax (property, SO, sales, etc.):	\$ -	
	State contribution amount:	\$ -	
	Other (gifts, donations, etc.):	\$ -	
	<b>TOTAL</b>	<b>\$ -</b>	
	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -	

Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

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

		Yes	No	N/A
8-1	Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? 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 for the year reported:			
	Fund Name	Budgeted Expenditures		
	General Fund	\$	54,286	

## PART 9 - TAXPAYER'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)]?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

If no, MUST explain:

## PART 10 - GENERAL INFORMATION

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

		Yes	No
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Please indicate what services the entity provides: Water Conservation Planning		
10-4	Does the entity have an agreement with another government to provide services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	List the name of the other governmental entity and the services provided:		
10-5	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.]	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Date Filed:		

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 governing board members below.		A MAJORITY of the governing board members must complete and sign in the column below.
<b>Board Member 1</b>	Print Board Member's Name Dale Albertson	I <u>Dale B. Albertson</u> , attest 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>Dale B. Albertson</u> Date: <u>3-16-17</u> My term Expires: <u>2019</u>
<b>Board Member 2</b>	Print Board Member's Name Ed Baker	I <u>Ed Baker</u> , attest 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>Ed Baker</u> Date: <u>3-16-17</u> My term Expires: <u>2017</u>
<b>Board Member 3</b>	Print Board Member's Name Rolland Anderson	I _____, attest 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: _____
<b>Board Member 4</b>	Print Board Member's Name Clay Altenbern	I <u>CLAY ALTENBERN</u> , attest 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>Clay Altenbern</u> Date: <u>3-16-17</u> My term Expires: <u>2019</u>
<b>Board Member 5</b>	Print Board Member's Name Tom Latham	I <u>Tom Latham</u> , attest 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>Tom Latham</u> Date: <u>3-16-17</u> My term Expires: <u>2019</u>
<b>Board Member 6</b>	Print Board Member's Name Marlion Holt	I <u>Marlion W. Holt</u> , attest 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>Marlion W. Holt</u> Date: <u>3-16-17</u> My term Expires: <u>2017</u>
<b>Board Member 7</b>	Print Board Member's Name Todd Brackett	I _____, attest 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: _____

# 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 governing		A MAJORITY of the governing board members must
<b>Board Member 8</b>	<div style="background-color: #cccccc; padding: 2px; text-align: center; font-weight: bold;">Print Board Member's Name</div> <p style="text-align: center; margin-top: 5px;">Chuck Pritchard</p>	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
<b>Board Member 9</b>	<div style="background-color: #cccccc; padding: 2px; text-align: center; font-weight: bold;">Print Board Member's Name</div> <p style="text-align: center; margin-top: 5px;">Ed Wissler</p>	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
<b>Board Member 10</b>	<div style="background-color: #cccccc; padding: 2px; text-align: center; font-weight: bold;">Print Board Member's Name</div>	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
<b>Board Member 11</b>	<div style="background-color: #cccccc; padding: 2px; text-align: center; font-weight: bold;">Print Board Member's Name</div>	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.

**Bluestone Water Conservancy District**

**RESOLUTION FOR EXEMPTION FROM AUDIT**

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

**A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2016 FOR THE BLUESTONE WATER CONSERVANCY DISTRICT, STATE OF COLORADO.**

WHEREAS, BOARD OF DIRECTORS of BLUESTONE WATER CONSERVANCY DISTRICT 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 revenue nor expenditures exceed five hundred thousand dollars may, with approval of the State Auditor be exempt from the provision of Section 29-1-603, C.R.S.; and

WHEREAS, neither revenue nor expenditures for BLUESTONE WATER CONSERVANCY DISTRICT exceeded \$100,000 for Fiscal Year 2016; and

WHEREAS, an application for exemption from audit for the BLUESTONE WATER CONSERVANCY DISTRICT has been prepared by Dalby, Wendland & Co., P.C., a person skilled in 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 by the BOARD OF DIRECTORS of BLUESTONE WATER CONSERVANCY DISTRICT that the application for exemption from audit for the BLUESTONE WATER CONSERVANCY DISTRICT for the Fiscal Year ending December 31, 2016 has been personally reviewed and is hereby approved by a majority of the BOARD OF DIRECTORS of BLUESTONE WATER CONSERVANCY DISTRICT; that those members of the BOARD OF DIRECTORS have signified their approval by signing below; and that this resolution shall be attached to, and shall

become part of the application for exemption from audit of the BLUESTONE WATER CONSERVANCY DISTRICT for the fiscal year ended December 31, 2016.

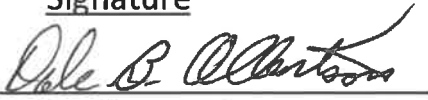


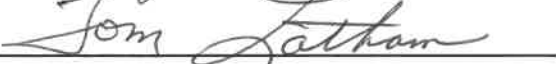

ADOPTED THIS 9<sup>TH</sup> DAY OF March, A.D 2017.



President, Dale Albertson



Secretary, Ed Baker

<u>Members</u>	<u>Date Term Expires</u>	<u>Signature</u>
Dale Albertson, President	2019	
Ed Baker, Secretary/Treasurer	2017	
Rolland Anderson	2017	
Clay Altenbern	2019	
Tom Latham	2019	
Marlion Holt	2017	
Todd Brackett	2020	
Chuck Pritchard	2020	
Ed Wissler	2020	



DALBY, WENDLAND & CO., P.C.

Grand Junction

*CPAs and Business Advisors*

464 Main Street • P.O. Box 430 • Grand Junction, CO 81502  
Phone: (970) 243-1921 • Fax: (970) 243-9214

Board of Directors  
Bluestone Water Conservancy District  
8984 County Road 300  
P.O. Box 284  
Parachute, CO 81635

Management is responsible for the accompanying Application for Exemption from Audit – Short Form (The Application) of Bluestone Water Conservancy District (the District) as of December 31, 2016. 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 Application 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 the Application.

The Application included in the accompanying prescribed form is intended to comply with the requirements of the State of Colorado, and are not intended to be a 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 the Board of Directors of Bluestone Water Conservancy District and the Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties

*Dalby, Wendland & Co., P.C.*

DALBY, WENDLAND & CO., P.C.  
Grand Junction, Colorado

February 14, 2017

*Aspen • Glenwood Springs • Rifle • Grand Junction • Montrose • Telluride*

*www.DalbyCPA.com*

*Since 1948*