

EMAIL: osa.lg@state.co.us

QUESTIONS? [303-869-3000](tel:303-869-3000)

RECEIVED

Office of the State Auditor

February 2, 2018

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

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

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

San Miguel Water Conservancy District
P.O. Box 65
Redvale, Colorado

2650.00
For the Year Ended
12/31/17
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

Robert W. Bray
970-327-4779
robert@brayranches.com
970-327-4776

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:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED
(Must be prepared prior to Board approval)

Robert W. Bray
Secretary/Treasurer

1/22/2018

PREPARER (SIGNATURE REQUIRED)

Robert W. Bray

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)

PROPRIETARY
(CASH OR BUDGETARY BASIS)

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

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	Please use this space to provide any necessary explanations
2-1	Tax Property	441670	
2-2	Specific ownership	0	
2-3	Sales and use	0	
2-4	Other (specify):	0	
2-5	Licenses and permits	0	
2-6	Intergovernmental: Grants	0	
2-7	Conservation Trust Funds (Lottery)	0	
2-8	Highway Users Tax Funds (HUTF)	0	
2-9	Other (specify):	0	
2-10	Charges for services	0	
2-11	Fines and forfeits	0	
2-12	Special assessments	0	

2-13	Investment income		100 0
2-14	Charges for utility services		0
2-15	Debt proceeds	(should agree with line 4-4, column 2)	0
2-16	Lease proceeds		0
2-17	Developer Advances received	(should agree with line 4-4)	0
2-18	Proceeds from sale of capital assets		0
2-19	Fire and police pension		0
2-20	Donations		0
2-21	Other (specify):		0
2-22			0
2-23			0
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE		0

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	Please use this space to provide any necessary explanations
3-1	Administrative	200 0	Please use this space to provide any necessary explanations
3-2	Salaries	0	
3-3	Payroll taxes	0	
3-4	Contract services	0	
3-5	Employee benefits	0	
3-6	Insurance	0	
3-7	Accounting and legal fees	0	
3-8	Repair and maintenance	0	
3-9	Supplies	0	
3-10	Utilities and telephone	0	
3-11	Fire/Police	0	
3-12	Streets and highways	0	
3-13	Public health	0	
3-14	Culture and recreation	0	
3-15	Utility operations	0	
3-16	Capital outlay	0	
3-17	Debt service principal	(should agree with Part 4) 0	
3-18	Debt service interest	0	
3-19	Repayment of Developer Advance Principal	(should agree with line 4-4) 0	
3-20	Repayment of Developer Advance Interest	0	
3-21	Contribution to pension plan	(should agree to line 7-2) 0	
3-22	Contribution to Fire & Police Pension Assoc.	(should agree to line 7-2) 0	
3-23	Other (specify):		
3-24		0	
3-25		0	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	200 0	

+2.50

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?
 If Yes, please attach a copy of the entity's Debt Repayment Schedule.
- 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:

Please complete the following debt schedule, if applicable: (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	0	0	0	0
Revenue bonds	0	0	0	0
Notes/Loans	0	0	0	0
Leases	0	0	0	0
Developer Advances	0	0	0	0
Other (specify):	0	0	0	0

TOTAL 0 | 0 | 0 | 0

*must tie 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?
 If yes: How much? 0
 Date the debt was authorized: _____
 4-6 Does the entity intend to issue debt within the next calendar year?
 If yes: How much? 0
 4-7 Does the entity have debt that has been refinanced that it is still responsible for?
 If yes: What is the amount outstanding? 0
 4-8 Does the entity have any lease agreements?
 If yes: What is being leased? no
 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? 0
 4-9 Does the entity have a certified Mill Levy?
 If yes: Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption	<u>0</u>
General/Other	<u>0</u>
TOTAL	<u>0</u>

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	70,034	0	
5-2	Certificates of deposit	13,128	0	
	Total Cash Deposits			82,162
	Investments (if investment is a mutual fund, please list underlying investments):			
		0		
		0		
5-3		0		
		0		
	Total Investments			0
	Total Cash and Investments			82,162

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.?
 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 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?
 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:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	0	0	0	0
Buildings	0	0	0	0
Machinery and equipment	0	0	0	0
Furniture and fixtures	0	0	0	0
Construction In Progress (CIP)	0	0	0	0
Other (explain):	0	0	0	0
Accumulated Depreciation (Please enter a negative, or credit, balance)	0	0	0	0
TOTAL	0	0	0	0

*must tie to prior year ending balance

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?

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.): _____ 0

State contribution amount: _____ 0

Other (gifts, donations, etc.): _____ 0

TOTAL _____ 0

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1? _____ 0

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:

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:

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)]?

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?

If yes: Date of formation: _____

10-2 Has the entity changed its name in the past or current year?

If yes: Please list the NEW name & PRIOR name: _____

10-3 Is the entity a metropolitan district?

Please indicate what services the entity provides: _____

10-4 Does the entity have an agreement with another government to provide services? **NO**
If yes: List the name of the other governmental entity and the services provided:

10-5 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.]
If yes: Date Filed:

Please use this space to provide any explanations or comments:

PART 11 - GOVERNING BODY APPROVAL
Please answer the following question by marking in the appropriate box YES NO

12-1 Have you read the new Electronic Signature Policy and do you plan on submitting signatures in accordance with this policy?

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

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.

2

Date: _____
My term Expires: _____

RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT

Print Board Member's Name _____, 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.

WHEREAS, the (name of government), STATE OF COLORADO,

Board Member _____, PRESIDENT, of the (name of government) wishes to claim exemption from audit.

Date: 1-22-18

WHEREAS, Section 29-1-604, C.R.S., states that the (name of 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 provisions of Section 29-1-603, C.R.S.; and

Print Board Member's Name _____, 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.

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

Date: 1-22-18

Board Member _____, 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.

WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$750,000 for Fiscal Year _____; and

Print Board Member's Name _____, 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.

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

Date: 1/22/2018

Board Member _____, 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.

WHEREAS, the (name of government) has been 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

Print Board Member's Name _____, 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.

ACCEPTED THIS _____ day of _____, A.D. 20XX.

Date: 1-22-18

Board Member _____, 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.

Print Board Member's Name _____, 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.

Date: _____

Board Member _____, 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.

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.

Town Clerk, Secretary, etc.

**San Miguel Water Conservancy District
Unanimous Consent of Directors
In lieu of Meeting**

WHEREAS, the Board of San Miguel 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 revenues nor expenditures exceed five hundred thousand dollars may, with the approval of the state auditor, be exempt from the provisions of Section 29-1-603 C.R.S.; and

WHEREAS, neither revenues nor expenditures for San Miguel Water Conservancy District exceeded \$100,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for San Miguel Water Conservancy District has been prepared by Robert W. Bray; 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 that the application for exemption from the audit for the fiscal year ended December 31, 2017, (copy attached), has been reviewed and is hereby approved by the members as signified by signing below.

This Unanimous Consent of Directors shall become effective as of Jan 22, 2018, upon the filing in the Minutes of San Miguel Water Conservancy District of signed counterparts hereof signed by all current Directors.



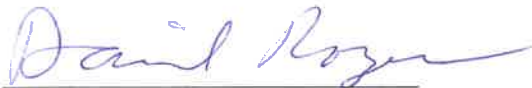
Robert W. Bray, Director



Raymond Snyder, Director



Aaron Elwood, Director



David Royer, Director