

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT
ADDRESS

Bailey Water and Sanitation District
PO Box 422
Bailey, CO 80421
Ms. Judith Reinhold-Kirby, Administrator
303-838-8184
baileywater@AOL.com
303.838.8184

2712.00
For the Year Ended
12/31/17
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

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:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED
(Must be Completed prior to Board approval)
RELATIONSHIP TO ENTITY

Craig A. Erickson
Certified Public Accountant
Craig A Erickson, CPA P.C.
196 SE Spokane St #206 Portland, OR 97202-6483
303.829.2298
03/23/18
Separate from Entity--Oregon and Colorado Licensed CPA

PREPARER (SIGNATURE REQUIRED)

Craig A Erickson

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"/>	

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RECEIVED
Office of the State Auditor

March 29, 2018

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*		Business Type Activity	Fund*
Assets				Assets		
1-1	Cash & Cash Equivalents	\$ -	\$ -	Cash & Cash Equivalents	\$ 336,163	\$ -
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -
1-3	Receivables	\$ -	\$ -	Receivables	\$ 126,298	\$ -
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ -	\$ -
	All Other Assets (specify)			Other Current Assets	\$ 8,683	\$ -
1-5		\$ -	\$ -	Total Current Assets	\$ 471,144	\$ -
1-6		\$ -	\$ -	Capital Assets, net (from Part 6-4)	\$ 604,031	\$ -
1-7		\$ -	\$ -	Other Long Term Assets (specify)	\$ -	\$ -
1-8		\$ -	\$ -	FDIC Insured Certificates of Deposit	\$ 14,787	\$ -
1-9		\$ -	\$ -		\$ -	\$ -
1-10		\$ -	\$ -		\$ -	\$ -
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 1,089,962	\$ -
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 1,089,962	\$ -
Liabilities				Liabilities		
1-14	Accounts Payable	\$ -	\$ -	Accounts Payable	\$ 6,207	\$ -
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -
1-17	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ 1,114	\$ -
1-19	TOTAL CURRENT LIABILITIES	\$ -	\$ -	TOTAL CURRENT LIABILITIES	\$ 7,321	\$ -
1-20	All Other Liabilities (specify)	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -
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	\$ 7,321	\$ -
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 113,925	\$ -
Fund Balance				Net Position		
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ 604,031	\$ -
1-31	Nonspendable Inventory	\$ -	\$ -			
1-32	Restricted (specify):	\$ -	\$ -	Emergency Reserves	\$ 8,538	\$ -
1-33	Committed (specify)	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -
1-34	Assigned (specify)	\$ -	\$ -	Restricted	\$ -	\$ -
1-35	Unassigned:	\$ -	\$ -	Undesignated/Unreserved/Unrestricted	\$ 356,147	\$ -
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	\$ 968,716	\$ -
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	\$ 1,089,962	\$ -

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*		Business Type Activity	Fund*	
Tax Revenue				Tax Revenue			
2-1	Property	\$ -	\$ -	Property	\$ 95,057	\$ -	
2-2	Specific Ownership	\$ -	\$ -	Specific Ownership	\$ 13,859	\$ -	
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	\$ -	\$ -	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ 108,916	\$ -	
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	\$ 138,645	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ -	\$ -	Interest/Investment Income	\$ 2,627	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ 22,900	\$ -	
2-21	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -	
2-22	All Other (specify):	\$ -	\$ -	All Other (specify):	\$ -	\$ -	
2-23		\$ -	\$ -		\$ -	\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ -	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 273,088	\$ -	
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	\$ -	\$ -	GRAND TOTALS
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	\$ 273,088	\$ -	\$ 273,088

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

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		Fund*	Fund*		Business Type Activity	Fund*	
	Expenditures			Expenditures			
3-1	General Government	\$ -	\$ -	General Operating & Administrative	\$ 12,839	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ 24,829	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ 46,223	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ 9,142	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ 30,102	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ 67,266	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ 3,585	\$ -	
3-10	Other (specify):	\$ -	\$ -	Utilities	\$ 15,509	\$ -	
3-11		\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other (specify): Park City Treasurer Fee	\$ 2,846	\$ -	
3-13		\$ -	\$ -	Sludge Removal & Lab Fees	\$ 30,887	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-16	Principal	\$ -	\$ -	Principal	\$ -	\$ -	
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	\$ -	\$ -	Add lines 3-1 through 3-21	\$ 243,227	\$ -	GRAND TOTAL
	TOTAL EXPENDITURES	\$ -	\$ -	TOTAL EXPENDITURES	\$ 243,227	\$ -	\$ 243,227
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In)	\$ -	\$ -	
3-24	Interfund Transfers out	\$ -	\$ -	Net Interfund Transfers out	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation	\$ 29,772	\$ -	
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)	\$ -	\$ -	
3-29	(Add lines 3-23 through 3-28)	\$ -	\$ -	(Line 3-26, plus line 3-27, less line 3-24, less line 3-25)	\$ (29,772)	\$ -	
	TOTAL TRANSFERS AND OTHER EXPENDITURES	\$ -	\$ -	TOTAL GAAP RECONCILING ITEMS	\$ (29,772)	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, plus line 3-29	\$ -	\$ -	Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24	\$ 89	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	Net Position, January 1 from December 31 prior year report	\$ 968,627	\$ -	
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.	\$ 968,716	\$ -	

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: Not Applicable	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4-3	Is the entity current in its debt service payments? If no, MUST explain: Not Applicable	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	How much?	\$ -		
If yes:	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?	Not Applicable		
	What is the original date of the lease?			
	Number of years of lease?			
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input checked="" 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 (do not enter \$ amounts):			
	Bond Redemption	0.00		
	General/Other	25.392		
	TOTAL	25.392		

PART 5 - CASH AND INVESTMENTS

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

AMOUNT TOTAL

Please use this space to provide any explanations or comments:

5-1	YEAR-END Total of ALL Checking and Savings accounts	\$ 52,692		
5-2	Certificates of deposit	\$ 14,787		
TOTAL CASH DEPOSITS			\$ 67,478	
Investments (if investment is a mutual fund, please list underlying investments):				
5-3	COLOTRUST Prime (statutorily approved)	\$ 283,472		
		\$ -		
		\$ -		
		\$ -		
TOTAL INVESTMENTS			\$ 283,472	
TOTAL CASH AND INVESTMENTS			\$ 350,950	

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"/>

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*	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	\$ 7,969	\$ -	\$ -	\$ 7,969
Buildings	\$ 3,823	\$ -	\$ -	\$ 3,823
Machinery and equipment	\$ 7,200	\$ -	\$ -	\$ 7,200
Furniture and fixtures	\$ 5,780	\$ -	\$ -	\$ 5,780
Infrastructure	\$ 1,411,117	\$ -	\$ -	\$ 1,411,117
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain): Water Rights	\$ 22,023	\$ -	\$ -	\$ 22,023
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (824,109)	\$ (29,772)	\$ -	\$ (853,881)
TOTAL	\$ 633,803	\$ (29,772)	\$ -	\$ 604,031

*must agree to prior year ending balance

PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box

YES NO

Please use this space to provide any explanations or comments:

- 7-1 Does the entity have an "old hire" firemen's pension plan? YES NO
- 7-2 Does the entity have a volunteer firemen's pension plan? YES NO

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?

\$ -

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 for the year reported														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 60%;">Fund Name</th> <th style="width: 40%;">Budgeted Expenditures</th> </tr> </thead> <tbody> <tr> <td>Business Type Activities-Operating Expenses & Reserves</td> <td style="text-align: right;">\$ 583,332</td> </tr> <tr> <td></td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td></td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td></td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table>					Fund Name	Budgeted Expenditures	Business Type Activities-Operating Expenses & Reserves	\$ 583,332		\$ -		\$ -		\$ -
Fund Name	Budgeted Expenditures													
Business Type Activities-Operating Expenses & Reserves	\$ 583,332													
	\$ -													
	\$ -													
	\$ -													

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)]? 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.	<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;" 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: 300px;" type="text"/> PRIOR name <input style="width: 300px;" type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10-3 Is the entity a metropolitan district?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10-4 Please indicate what services the entity provides: <input style="width: 400px;" type="text" value="Production, Treatment and Distribution of water and collection and treatment of waste water"/>	<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: 400px;" type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

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 \$	350,950 Unrestricted Fund Balance \$	- Total Tax Revenue \$	-
Current Liabilities \$	7,321 Total Fund Balance \$	- Revenue Paying Debt Service \$	-
Deferred Inflow \$	113,925 PY Fund Balance \$	- Total Revenue \$	-
	Total Revenue \$	- Total Debt Service Principal \$	-
	Total Expenditures \$	- Total Debt Service Interest \$	-
	Interfund In \$		
	Interfund Out \$		
	Proprietary	- Enterprise Funds	
Total Cash & Investments \$	- Current Assets \$	Net Position \$	968,716
Transfers In \$	- Deferred Outflow \$	PY Net Position \$	968,627
Transfers Out \$	- Current Liabilities \$	- Government-Wide	
Property Tax \$	- Deferred Inflow \$	7,321 Total Outstanding Debt \$	
Debt Service Principal \$	- Cash & Investments \$	113,925 Authorized but Unissued \$	
Total Expenditures \$	- Principal Expense \$	336,163 Year Authorized \$	
Total Developer Advances \$			
Total Developer Repayments \$			

PART 12 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

YES	NO
<input 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 and 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 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 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 to:

- 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.

**Original Signatures
Verified by**

Justin L. Smith



required
of the
parties,

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.

Board Member	Print Board Member's Name	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: _____
1	James A. Thomas II	I, <u>James A. Thomas II</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>James A. Thomas II</u>	Date: <u>03/27/18</u>	My term Expires: <u>5/2018</u>
2	Shawn Kingery	I, <u>Shawn Kingery</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>Shawn Kingery</u>	Date: <u>03/27/18</u>	My term Expires: <u>5/2018</u>
3	Traci Sites	I, <u>Traci Sites</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>Traci Sites</u>	Date: <u>03/27/18</u>	My term Expires: <u>5/2020</u>
4	John Patterson	I, <u>John Patterson</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>John D. Patterson</u>	Date: <u>03/27/18</u>	My term Expires: <u>5/2020</u>
5	Dennis Griffin	I, <u>Dennis Griffin</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>Dennis Griffin</u>	Date: <u>03/27/18</u>	My term Expires: <u>5/2020</u>
6	Print Board Member's Name	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	Print Board Member's Name	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: _____

CRAIG A. ERICKSON, CPA, P.C.

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Bailey Water and Sanitation District

Bailey, CO 80421

Accountant's Compilation Report

Members of the Board of Directors;

Management is responsible for the accompanying balance sheet of the Bailey Water and Sanitation District (a Colorado Quasi-Municipal Corporation) as of December 31, 2017 and the related operating statement for the calendar year then ended included in the accompanying prescribed form. I 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. I did not audit or review the financial statements included in the accompanying prescribed form, nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the Colorado Office of the State Auditor, Local Government Audit Division, using a regulatory-basis of accounting under the Local Government Audit Law and specifically the related exemption from audit provisions under Section 29-1-601, et. seq. C.R.S., and are not intended to be a complete presentation of Bailey Water and Sanitation District's assets, liabilities and net position.

This report is intended solely for the information and use of the Colorado Office of the State Auditor, Local Government Audit Division and is not intended to be and should not be used by anyone other than this specified party.

I am not independent with respect to Bailey Water and Sanitation District.



Craig A. Erickson, CPA

Portland, OR 97202

March 23, 2018