

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

2906.00

NAME OF GOVERNMENT ADDRESS	Pinon Water and Sanitation District 109 W. Main St. Trinidad, CO 81082
CONTACT PERSON	Bernadette Cappellucci
PHONE	(719) 846-2080
EMAIL	bernadette@centurysolutions.org
FAX	(719) 845-1071

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

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:	Dave Grove/ Bernadette Cappellucci
TITLE	President/ Audit Manager
FIRM NAME (if applicable)	Century Financial Group
ADDRESS	109 W. Main St., Trinidad, CO 81082
PHONE	(719) 846-2080
DATE PREPARED (Must be prepared prior to Board approval)	3/20/2018

PREPARER (SIGNATURE REQUIRED)

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

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)

PROPRIETARY
(CASH OR BUDGETARY BASIS)

E

RECEIVED

Office of the State Auditor

March 30, 2018

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	Taxes: Property	\$ -	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: 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	\$ 233	
2-14	Charges for utility services	\$ 78,007	
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): Lien Fees Income	\$ 127	
2-22	Misc Inc. - \$2.85 = Unemployment Insurance Premium Refund/ \$69.05 SIEA Capital Credit	\$ 72	
2-23	Water Turn On/ Off Fees	\$ 50	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 78,489	

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	\$ 613	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 2,935	
3-7	Accounting and legal fees	\$ 9,528	
3-8	Repair and maintenance	\$ 3,294	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ 6,290	
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)	\$ 13,140	
3-18	Debt service interest	\$ 903	
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		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$ 36,701	

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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-4	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	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ 18,056	\$ 13,140
	Leases	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	TOTAL	\$ 18,056	\$ 13,140

*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? \$ - Date the debt was authorized: 	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-6	Does the entity intend to issue debt within the next calendar year? If yes: How much? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-7	Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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):	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Bond Redemption		-
	General/Other		-
	TOTAL		-

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	\$ 5,583	
5-2	Certificates of deposit	\$ 54,852	
	Total Cash Deposits		\$ 60,435
	Investments (if investment is a mutual fund, please list underlying investments):		
5-3		\$ -	
		\$ -	
		\$ -	
		\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ 60,435

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 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.)?	<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?
- 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	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ 43,642	\$ 17,539	\$ -	\$ 61,181
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain): Infrastructure	\$ 484,103	\$ -	\$ -	\$ 484,103
Accumulated Depreciation (Please enter a negative, or credit, balance)	\$ (227,514)	\$ (16,832)	\$ -	\$ (244,346)
TOTAL	\$ 300,231	\$ 707	\$ -	\$ 300,938

*must tie to prior year ending balance

Please use this space to provide any explanations or comments:

***2016 Machinery and Equipment beginning of the year balance was entered wrong and has been corrected. *2016 Accumulated Depreciation beginning balance was reported incorrectly and has now been corrected.**

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.):	\$ -
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 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:

General	\$ 60,342

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?

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 If you plan to submit this form electronically, have you read the new Electronic Signature Policy? YES NO

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.

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 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 1	Rich Holden	I <u>Rich Holden</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>[Signature]</u> Date: <u>3-26-18</u> My term Expires: <u>May 2020</u>
Board Member 2	Dave Shier	I <u>Dave Shier</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>[Signature]</u> Date: <u>3/27/2018</u> My term Expires: <u>May 2020</u>
Board Member 3	Dick Laner	I <u>Dick Laner</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>[Signature]</u> Date: <u>3-26-18</u> My term Expires: <u>May 2018</u>
Board Member 4	Chris Furia	I <u>Chris Furia</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 _____ Date: _____ My term Expires: <u>May 2020</u>
Board Member 5	Larry Robinson	I <u>Larry Robinson</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 _____ Date: _____ My term Expires: <u>May 2018</u>
Board Member 6		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: _____
Board Member 7		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: _____

**Original Signatures
Verified by**

Justin L. Smith


**RESOLUTION/ ORDINANCE FOR EXEMPTION FROM AUDIT
(Pursuant to Section 29-1-604,C.R.S.)**

A RESOLUTION/ ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2016 FOR THE PINON WATER AND SANITATION DISTRICT, STATE OF COLORADO.

WHEREAS, the Board of Directors of Pinon Water and Sanitation District wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, neither revenue nor expenditures for Pinon Water and Sanitation District exceeded \$100,000 for Fiscal Year 2017; and

WHEREAS, an application for exemption from audit for Pinon Water and Sanitation District has been prepared by Century Financial Group, 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 Board of Directors of the Pinon Water and Sanitation District that the application for exemption from audit for Pinon Water and Sanitation District for the Fiscal Year ended December 31, 2017, has been personally reviewed and is hereby approved by a majority of the Board of Directors of the Pinon Water and Sanitation District; that those members of the Pinon Water and Sanitation District 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 Pinon Water and Sanitation District for the Fiscal Year ended December 31, 2017.

ADOPTED THIS 21st day of March, A.D. 2018.



_____, President



_____, Secretary

<u>Members of Governing Body</u>	<u>Date Term Expires</u>	<u>Signature</u>
Rich Holden	May 2020	
Dave Shier	May 2020	
Chris Furia	May 2020	_____
Larry Robinson	May 2018	_____
Dick Laner	May 2018	

**ENERGY/MINERAL IMPACT ASSISTANCE
LOAN PYMTS**

Project No. 03783	Title: Pinon Wastewater Loan/Grant
Loan Amount: \$175,000.00	First Pymt Due Date: 09/01/2001
Interest Rate: 5%	Paid off Date:
Term: 20	Paid off : F

Pay #	Year	Payment	Principal	Interest	Extra Prin	Date Paid	Check Amt	Ending Balance
								\$175,000.00
1	2001	\$14,042.45	\$5,292.45	\$8,750.00				\$169,707.55
2	2002	\$14,042.45	\$5,557.07	\$8,485.38		08-13-02	\$14,042.45	\$164,150.48
3	2003	\$14,042.45	\$5,834.93	\$8,207.52		08-14-03	\$14,042.45	\$158,315.55
4	2004	\$14,042.45	\$6,126.67	\$7,915.78	\$0.00	09-02-04	\$14,042.45	\$152,188.88
5	2005	\$14,042.45	\$6,433.01	\$7,609.44	\$0.00	09-20-05	\$14,042.45	\$145,755.87
6	2006	\$14,042.45	\$6,754.66	\$7,287.79	\$0.00	09-14-06	\$14,042.45	\$139,001.21
7	2007	\$14,042.45	\$7,092.39	\$6,950.06	\$0.00	09-12-07	\$14,042.45	\$131,908.82
8	2008	\$14,042.45	\$7,447.01	\$6,595.44	\$0.00	08-14-08	\$14,042.45	\$124,461.81
9	2009	\$14,042.45	\$7,819.36	\$6,223.09	\$0.00	03-26-10	\$14,042.45	\$116,642.45
10	2010	\$14,042.45	\$8,210.33	\$5,832.12	\$0.00	09-20-10	\$14,042.45	\$108,432.12
11	2011	\$14,042.45	\$8,620.84	\$5,421.61	\$0.00	08-24-11	\$14,042.45	\$99,811.28
12	2012	\$14,042.45	\$9,051.89	\$4,990.56	\$0.00	08-16-12	\$14,042.45	\$90,759.39
13	2013	\$14,042.45	\$9,504.48	\$4,537.97	\$14,042.45	08-19-13	\$14,042.45	\$67,212.46
14	2014	\$14,042.45	\$10,681.83	\$3,360.62	\$14,042.45	08-19-14	\$14,042.45	\$42,488.18
15	2015	\$14,042.45	\$11,918.04	\$2,124.41	\$0.00	08-17-15	\$14,042.45	\$30,570.14
16	2016	\$14,042.45	\$12,513.94	\$1,528.51	\$0.00	09-06-16	\$14,042.45	\$18,056.20
17	2017	\$14,042.45	\$13,139.64	\$902.81				\$4,916.56
18	2018	\$5,162.39	\$4,916.56	\$245.83				\$0.00
19	2019	\$0.00	\$0.00	\$0.00				\$0.00
20	2020	\$0.00	\$0.00	\$0.00				\$0.00

Comments:

- 09/18/2013 Additional Principal Pymt made for \$14,042.45. Applied to Principal Bal.
- 10/22/2014 Additional Principal Pymt made for \$14,042.45. Applied to Principal Bal.
- 03/26/2010 Grantee paid \$7,819.36 for the 2009 principal portion that was due 9/1/09. Letter mailed
- 09/23/2009 Grantee paid Interest only for this year of \$6,223.09 leaving current balance the same. Letter mailed
- 10/23/2003 no adjustment made to P/I for 2003 and no balance change