

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT ADDRESS	Shannon Water and Sanitation District 1400 Wicklow Street Boulder, Colorado 80303-1632
CONTACT PERSON	Bonnie L. Worrall
PHONE	(303) 665-8026
EMAIL	bonnie.worrall@comcast.net
FAX	N/A

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:	Randy Watkins
TITLE	Partner
FIRM NAME (if applicable)	Anton Collins Michell LLP
ADDRESS	2015 Clubhouse Dr., Suite 203, Greeley, Colorado 80634
PHONE	(970) 352-1700
DATE PREPARED (Must be prepared prior to Board approval)	7-Mar-18

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)



RECEIVED

Office of the State Auditor

March 20, 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	\$ 5,732	
2-2	Specific ownership	\$ 328	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ 600	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ 83,732	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 2,593	
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	Late fees and processing fees	\$ 2,150	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 95,135	

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	\$ 2,655	
3-2	Salaries	\$ 18,000	
3-3	Payroll taxes	\$ 1,377	
3-4	Contract services	\$ 14,090	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 4,958	
3-7	Accounting and legal fees	\$ 2,225	
3-8	Repair and maintenance	\$ 8,575	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ 10,182	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Culture and recreation	\$ -	
3-15	Utility operations	\$ 4,080	
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		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$ 66,142	

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 type="checkbox"/>	<input checked="" 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 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 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 ¹	Issued during year	Retired during year		
	Outstanding at year-end				
	General obligation bonds	\$ -	\$ -	\$ -	\$ -
	Revenue bonds	\$ -	\$ -	\$ -	\$ -
	Notes/Loans	\$ -	\$ -	\$ -	\$ -
	Leases	\$ -	\$ -	\$ -	\$ -
	Developer Advances	\$ -	\$ -	\$ -	\$ -
	Other (specify):	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -

¹must 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?	<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 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 <u>mills</u> levied for the year reported (do not report \$ amounts):		

Bond Redemption	-
General/Other	1.340
TOTAL	1.340

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	\$ 46,638	
5-2	Certificates of deposit	\$ 137,060	
	Total Cash Deposits		\$ 183,698
	Investments (if investment is a mutual fund, please list underlying investments):		
	ColoTrust	\$ 176,809	
5-3		\$ -	
		\$ -	
		\$ -	
	Total Investments		\$ 176,809
	Total Cash and Investments		\$ 360,507

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? 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

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ 88,346	\$ -	\$ -	\$ 88,346
Machinery and equipment	\$ 253,044	\$ -	\$ -	\$ 253,044
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain): Infrastructure (\$85,846 and Water Rights (\$6,250)	\$ 92,096	\$ -	\$ -	\$ 92,096
Accumulated Depreciation (Please enter a negative, or credit, balance)	\$ (360,370)	\$ (5,702)	\$ -	\$ (366,072)
TOTAL	\$ 73,116	\$ (5,702)	\$ -	\$ 67,414

*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? 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?

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.? Yes No N/A

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: Yes No N/A

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

Water Enterprise Fund		\$ 76,850

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?

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	
Board Member 1	Monte Preston	I <u>MONTE PRESTON</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>Monte Preston</u> Date: <u>3/15/2018</u> My term Expires: <u>MAY 2018</u>
Board Member 2	Stephen Morgan	I <u>STEPHEN MORGAN</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>Stephen Morgan</u> Date: <u>3/15/2018</u> My term Expires: <u>May 2018</u>
Board Member 3	Wayne Buschmann	I <u>Wayne Buschmann</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>Wayne Buschmann</u> Date: <u>3/15/2018</u> My term Expires: <u>May 2020</u>
Board Member 4	Charlotte L. Roehm	I <u>CHARLOTTE ROEHM</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>Charlotte L. Roehm</u> Date: <u>3/15/2018</u> My term Expires: <u>May 2018</u>
Board Member 5	Timothy S. Wellman	I <u>Timothy S. Wellman</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>Timothy S. Wellman</u> Date: <u>3/15/2017</u> My term Expires: <u>5/2020</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: _____

RESOLUTION FOR EXEMPTION FROM AUDIT

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

A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017 FOR THE SHANNON WATER AND SANITATION DISTRICT, STATE OF COLORADO.

WHEREAS, the Board of Directors of the Shannon Water and Sanitation District wish 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 seven-hundred-fifty thousand dollars may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

WHEREAS, neither revenues nor expenditures for the Shannon Water and Sanitation District exceeded \$100,000 for Fiscal Year 2017; and

WHEREAS, an application for exemption from audit for Shannon Water and Sanitation District has been prepared by Randy Watkins of Anton Collins Mitchell LLP, 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.





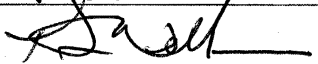
NOW THEREFORE, be it resolved by the Board of Directors of the Shannon Water and Sanitation District that the application for exemption from audit for the Shannon Water and Sanitation District for the fiscal year ended December 31, 2017, has been personally reviewed and is hereby approved by a majority of the Board of Directors of the Shannon Water and Sanitation 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 a part of, the application for exemption from audit of the Shannon Water and Sanitation District for the fiscal year ended December 31, 2017.

ADOPTED THIS 15 day of March, A.D. 2018.


Chairman

ATTEST:


Secretary

<u>Type or Print Names of Members of Governing Body</u>	<u>Date Term Expires</u>	<u>Signature</u>
<u>MONTE PRESTON</u>	<u>MAY 2018</u>	
<u>STEPHEN MORGAN</u>	<u>MAY 2018</u>	
<u>WAYNE BUSCHMANN</u>	<u>MAY 2020</u>	
<u>CHARLOTTE L. ROEHM</u>	<u>MAY 2018</u>	
<u>TIMOTHY S. WELLMAN</u>	<u>MAY 2020</u>	



Independent Accountant's Compilation Report

Board of Directors
Shannon Water and Sanitation District
Boulder, Colorado

Management is responsible for the application for exemption from audit of Shannon Water and Sanitation District (the "District") as of December 31, 2017 included in the accompanying prescribed form in accordance with the Colorado state statute section 29-1-604, C.R.S. 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 American Institute of Certified Public Accountants. We did not audit or review the application for exemption from audit 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 for exemption from audit included in the accompanying prescribed form.

The application for exemption from audit included in the accompanying prescribed form is presented in accordance with the requirements of Colorado state statute section 29-1-604, C.R.S., and is not intended to be a complete presentation of the District's assets and liabilities.

This report is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Anton Collins Mitchell LLP

Greeley, Colorado
March 7, 2018