

**APPLICATION FOR EXEMPTION FROM AUDIT  
LONG FORM**

NAME OF GOVERNMENT	TOWN OF CHERAW, COLORADO
ADDRESS	P.O. BOX 18 210 RAILROAD AVENUE
CONTACT PERSON	NICK KOCH, MAYOR PRO-TEM
PHONE	719-863-6013
EMAIL	TownofCherawCo@gmail.com
FAX	

629.00  
For the Year Ended  
12/31/2017  
or fiscal year ended:

**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	Kyle Logan, CPA
TITLE	Owner
FIRM NAME (if applicable)	Logan and Associates, LLC
ADDRESS	6140 S. Gun Club Rd., Suite K8-132, Aurora, CO 80016
PHONE	303-835-8815
DATE PREPARED <small>(Must be completed prior to Board approval)</small>	3/6/2018
RELATIONSHIP TO ENTITY	Independent CPA

**PREPARER SIGNATURE REQUIRED:**

*[Handwritten Signature]* CPA

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 (4), C.R.S.)

YES	NO	If Yes, date filed:
<input checked="" type="checkbox"/>	<input type="checkbox"/>	

**P**

**RECEIVED**  
Office of the State Auditor  
March 30, 2018

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## PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds	
		General	Conservation Trust		Water Utility Fund	Sewer Fund
<b>Assets</b>				<b>Assets</b>		
1-1	Cash & Cash Equivalents	\$ 70,889	\$ 26,338	Cash & Cash Equivalents	\$ 10,714	\$ 72,759
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -
1-3	Receivables	\$ 9,571	\$ -	Receivables	\$ 1,942	\$ 2,077
1-4	Due from Other Entities or Funds	\$ 12,996	\$ -	Due from Other Entities or Funds	\$ 25,102	\$ 9,880
	All Other Assets (specify)			Other Current Assets	\$ -	\$ -
1-5	Property Taxes Receivable	\$ 12,202	\$ -	<b>Total Current Assets</b>	<b>\$ 37,758</b>	<b>\$ 84,716</b>
1-6		\$ -	\$ -	Capital Assets, net (from Part 6-4)	\$ 321,586	\$ 556,731
1-7		\$ -	\$ -	Other Long Term Assets (specify)	\$ -	\$ -
1-8		\$ -	\$ -		\$ -	\$ -
1-9		\$ -	\$ -		\$ -	\$ -
1-10		\$ -	\$ -		\$ -	\$ -
1-11	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	<b>\$ 105,658</b>	<b>\$ 26,338</b>	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	<b>\$ 359,344</b>	<b>\$ 641,447</b>
1-12	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>\$ -</b>
1-13	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 105,658</b>	<b>\$ 26,338</b>	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 359,344</b>	<b>\$ 641,447</b>
<b>Liabilities</b>				<b>Liabilities</b>		
1-14	Accounts Payable	\$ 481	\$ -	Accounts Payable	\$ -	\$ -
1-15	Accrued Payroll and Related Liabilities	\$ 556	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -
1-17	Due to Other Entities or Funds	\$ 30,872	\$ -	Due to Other Entities or Funds	\$ -	\$ 4,715
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ 2,155	\$ -
1-19	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 31,909</b>	<b>\$ -</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 2,155</b>	<b>\$ 4,715</b>
1-20	All Other Liabilities (specify)	\$ -	\$ -	Proprietary Debt Outstanding (from Part 6-4)	\$ -	\$ -
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) <b>TOTAL LIABILITIES</b>	<b>\$ 31,909</b>	<b>\$ -</b>	(add lines 1-19 through 1-27) <b>TOTAL LIABILITIES</b>	<b>\$ 2,155</b>	<b>\$ 4,715</b>
1-29	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 12,202</b>	<b>\$ -</b>	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund Balance</b>				<b>Net Position</b>		
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ 321,586	\$ 556,731
1-31	Nonspendable Inventory	\$ -	\$ -	Emergency Reserves	\$ -	\$ -
1-32	Restricted (specify): TABOR reserve/Parks & Rec	\$ 1,555	\$ 26,338	Other Designations/Reserves	\$ -	\$ -
1-33	Committed (specify)	\$ -	\$ -	Restricted	\$ -	\$ -
1-34	Assigned (specify)	\$ -	\$ -	Undesignated/Unreserved/Unrestricted	\$ 35,603	\$ 80,001
1-35	Unassigned:	\$ 59,992	\$ -			
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL FUND BALANCE</b>	<b>\$ 61,547</b>	<b>\$ 26,338</b>	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL NET POSITION</b>	<b>\$ 357,189</b>	<b>\$ 636,732</b>
1-37	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 105,658</b>	<b>\$ 26,338</b>	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	<b>\$ 359,344</b>	<b>\$ 641,447</b>

Please use this space to provide explanation of any items on this page

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## PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
					Garbage Fund		
<b>Assets</b>				<b>Assets</b>			
1-1	Cash & Cash Equivalents	\$ -	\$ -	Cash & Cash Equivalents	\$ 22,941	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ -	\$ -	Receivables	\$ 873	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ 3,651	\$ -	
	All Other Assets (specify)			Other Current Assets	\$ -	\$ -	
1-5	Property Taxes Receivable	\$ -	\$ -				
1-6		\$ -	\$ -				
1-7		\$ -	\$ -	Capital Assets, net (from Part 0-4)	\$ 15,344	\$ -	
1-8		\$ -	\$ -	Other Long Term Assets (specify)	\$ -	\$ -	
1-9		\$ -	\$ -		\$ -	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	\$ -	\$ -	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	\$ 42,809	\$ -	
1-12	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -	
1-13	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ -	\$ -	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ 42,809	\$ -	
<b>Liabilities</b>				<b>Liabilities</b>			
1-14	Accounts Payable	\$ -	\$ -	Accounts Payable	\$ -	\$ -	
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	\$ 1,781	\$ -	
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -	
1-19	<b>TOTAL CURRENT LIABILITIES</b>	\$ -	\$ -	<b>TOTAL CURRENT LIABILITIES</b>	\$ 1,781	\$ -	
1-20	All Other Liabilities (specify)	\$ -	\$ -	Proprietary Debt Outstanding (from Part 0-4)	\$ -	\$ -	
1-21		\$ -	\$ -	Other Liabilities (specify)	\$ -	\$ -	
1-22		\$ -	\$ -	Landfill Post-Closure Costs	\$ 15,429	\$ -	
1-23		\$ -	\$ -		\$ -	\$ -	
1-24		\$ -	\$ -		\$ -	\$ -	
1-25		\$ -	\$ -		\$ -	\$ -	
1-26		\$ -	\$ -		\$ -	\$ -	
1-27		\$ -	\$ -		\$ -	\$ -	
1-28	(add lines 1-19 through 1-27) <b>TOTAL LIABILITIES</b>	\$ -	\$ -	(add lines 1-19 through 1-27) <b>TOTAL LIABILITIES</b>	\$ 17,210	\$ -	
1-29	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	\$ -	\$ -	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	\$ -	\$ -	
<b>Fund Balance</b>				<b>Net Position</b>			
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ 15,344	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -				
1-32	Restricted (specify): TABOR reserve/Parks & Rec	\$ -	\$ -	Emergency Reserves	\$ -	\$ -	
1-33	Committed: (specify)	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned (specify)	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ -	\$ -	Undesignated/Unreserved/Unrestricted	\$ 10,265	\$ -	
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL FUND BALANCE</b>	\$ -	\$ -	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL NET POSITION</b>	\$ 25,599	\$ -	
1-37	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	\$ -	\$ -	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	\$ 42,809	\$ -	

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**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
		General	Conservation Trust		Water Utility Fund	Sewer Fund	
<b>Tax Revenue</b>				<b>Tax Revenue</b>			
2-1	Property	\$ 13,028	\$ -	Property	\$ -	\$ -	
2-2	Specific Ownership	\$ 2,872	\$ -	Specific Ownership	\$ -	\$ -	
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -	
2-4	Other Tax Revenue (specify): Franchise	\$ 20,228	\$ -	Other Tax Revenue (specify):	\$ -	\$ -	
2-5		\$ -	\$ -		\$ -	\$ -	
2-6		\$ -	\$ -		\$ -	\$ -	
2-7		\$ -	\$ -		\$ -	\$ -	
2-8	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</b>	\$ 36,128	\$ -	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</b>	\$ -	\$ -	
2-9	Licenses and Permits	\$ 60	\$ -	Licenses and Permits	\$ -	\$ -	
2-10	Highway Users Tax Funds (HUTF)	\$ 9,608	\$ -	Highway Users Tax Funds (HUTF)	\$ -	\$ -	
2-11	Conservation Trust Funds (Lottery)	\$ -	\$ 2,418	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	\$ 3,200	\$ -	Grants	\$ -	\$ -	
2-15	Donations	\$ 728	\$ -	Donations	\$ -	\$ -	
2-16	Charges for Sales and Services	\$ -	\$ -	Charges for Sales and Services	\$ 32,877	\$ 24,877	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ 80	\$ 78	Interest/Investment Income	\$ 3	\$ 130	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	\$ 1,000	
2-21	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -	
2-22	All Other (specify): Motor Vehicle, County Road&Bridge	\$ 2,163	\$ -	All Other (specify): Miscellaneous	\$ 1,984	\$ 591	
2-23	Miscellaneous	\$ 1,606	\$ -		\$ -	\$ -	
2-24	<b>Add lines 2-8 through 2-23 TOTAL REVENUES</b>	\$ 53,573	\$ 2,496	<b>Add lines 2-8 through 2-23 TOTAL REVENUES</b>	\$ 34,864	\$ 26,598	
<b>Other Financing Sources</b>				<b>Other Financing Sources</b>			
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	<b>Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES</b>	\$ -	\$ -	<b>Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES</b>	\$ -	\$ -	
2-29	<b>Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	\$ 53,573	\$ 2,496	<b>Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	\$ 34,864	\$ 26,598	\$ 117,531

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.

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**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	
		General	Conservation Trust		Water Utility Fund	Sewer Fund		
<b>Tax Revenue</b>				<b>Tax Revenue</b>				
2-1	Property	\$ -	\$ -	Property	\$ -	\$ -		
2-2	Specific Ownership	\$ -	\$ -	Specific Ownership	\$ -	\$ -		
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -		
2-4	Other Tax Revenue (specify): Franchise	\$ -	\$ -	Other Tax Revenue (specify):	\$ -	\$ -		
2-5		\$ -	\$ -		\$ -	\$ -		
2-6		\$ -	\$ -		\$ -	\$ -		
2-7		\$ -	\$ -		\$ -	\$ -		
2-8	<b>Add lines 2-1 through 2-7</b>	\$ -	\$ -	<b>Add lines 2-1 through 2-7</b>	\$ -	\$ -		
	<b>TOTAL TAX REVENUE</b>	\$ -	\$ -	<b>TOTAL TAX REVENUE</b>	\$ -	\$ -		
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	\$ 47,020	\$ -		
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -		
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -		
2-19	Interest/Investment Income	\$ -	\$ -	Interest/Investment Income	\$ 9	\$ -		
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	\$ -		
2-21	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -		
2-22	All Other (specify): Motor Vehicle, County Road & Bridge	\$ -	\$ -	All Other (specify):	\$ -	\$ -		
2-23	Miscellaneous	\$ -	\$ -	Other Income	\$ 7,824	\$ -		
2-24	<b>Add lines 2-8 through 2-23</b>	\$ -	\$ -	<b>Add lines 2-8 through 2-23</b>	\$ 54,853	\$ -		
	<b>TOTAL REVENUES</b>	\$ -	\$ -	<b>TOTAL REVENUES</b>	\$ 54,853	\$ -		
<b>Other Financing Sources</b>				<b>Other Financing Sources</b>				
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	<b>Add lines 2-25 through 2-27</b>	\$ -	\$ -	<b>Add lines 2-25 through 2-27</b>	\$ -	\$ -		
	<b>TOTAL OTHER FINANCING SOURCES</b>	\$ -	\$ -	<b>TOTAL OTHER FINANCING SOURCES</b>	\$ -	\$ -		
2-29	<b>Add lines 2-24 and 2-28</b>	\$ -	\$ -	<b>Add lines 2-24 and 2-28</b>	\$ 54,853	\$ -		
	<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	\$ -	\$ -	<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	\$ 54,853	\$ -	\$ 54,853	
							<b>GRAND TOTALS</b>	

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.

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**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
		General	Conservation Trust		Fund <sup>1</sup>	Fund <sup>1</sup>	
<b>Expenditures</b>				<b>Expenditures</b>			
3-1	General Government	\$ 19,810	\$ -	General Operating & Administrative	\$ 175	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ 11,121	\$ 9,775	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ 842	\$ 736	
3-4	Fire	\$ 6,644	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ 8,990	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ 3,079	\$ 2,566	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ 103	\$ -	
3-9	Culture and Recreation	\$ -	\$ 784	Supplies	\$ 2,147	\$ -	
3-10	Other (specify):	\$ -	\$ -	Utilities	\$ 7,142	\$ -	
3-11	Community Development	\$ 2,975	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other - Operating Costs	\$ 1,917	\$ 6,600	
3-13		\$ -	\$ -	Water Testing	\$ 2,183	\$ -	
3-14	Capital Outlay	\$ -	\$ 2,700	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-16	Principal	\$ -	\$ -	Principal	\$ -	\$ -	
3-18	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	<b>Add lines 3-1 through 3-21</b>	\$ 38,419	\$ 3,484	<b>Add lines 3-1 through 3-21</b>	\$ 28,709	\$ 19,677	
	<b>TOTAL EXPENDITURES</b>			<b>TOTAL EXPENDITURES</b>			<b>GRAND TOTAL</b>
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In)	\$ -	\$ -	\$ 90,289
3-24	Interfund Transfers out	\$ -	\$ -	Net Interfund Transfers out	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation	\$ 9,620	\$ 35,442	
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	<b>(Add lines 3-23 through 3-28)</b>	\$ -	\$ -	<b>(Line 3-26, plus line 3-27, less line 3-24, less line 3-25)</b>	\$ (9,620)	\$ (35,442)	
	<b>TOTAL TRANSFERS AND OTHER EXPENDITURES</b>			<b>TOTAL GAAP RECONCILING ITEMS</b>			
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures			Net Increase (Decrease) in Net Position			
	Line 2-29, less line 3-22, plus line 3-29	\$ 15,154	\$ (988)	Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24	\$ (3,465)	\$ (28,521)	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ 46,393	\$ 27,326	Net Position, January 1 from December 31 prior year report	\$ 360,654	\$ 665,253	
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	Prior Period Adjustment (MUST explain)	\$ -	\$ -	
3-33	Fund Balance, December 31			Net Position, December 31			
	Sum of Line 3-30, 3-31, and 3-32			Line 3-30 plus line 3-31			
	This total should be the same as line 1-36.	\$ 61,547	\$ 28,338	This total should be the same as line 1-36.	\$ 357,189	\$ 636,732	

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.

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**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
		General	Conservation Trust		Fund	Fund	
	<b>Expenditures</b>			<b>Expenditures</b>			
3-1	General Government	\$ -	\$ -	General Operating & Administrative	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ 19,179	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ 1,448	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ 4,148	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ 2,588	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ 1,514	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ 4,070	\$ -	
3-10	Other (specify):	\$ -	\$ -	Utilities	\$ 2,482	\$ -	
3-11	Community Development	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other (specify)	\$ -	\$ -	
3-13		\$ -	\$ -	Landfill Costs	\$ 2,274	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ 16,111	\$ -	
	Debt Service			Debt Service			
3-15	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	<b>Add lines 3-1 through 3-21</b>	\$ -	\$ -	<b>Add lines 3-1 through 3-21</b>	\$ 53,790	\$ -	
	<b>TOTAL EXPENDITURES</b>	\$ -	\$ -	<b>TOTAL EXPENDITURES</b>	\$ 53,790	\$ -	<b>53,790</b>
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In)	\$ -	\$ -	
3-24	Interfund Transfers out	\$ -	\$ -	Net Interfund Transfers out	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation	\$ 767	\$ -	
3-26		\$ -	\$ -	Other Financing Sources (Uses) (from line 3-28)	\$ -	\$ -	
3-27		\$ -	\$ -	Capital Outlay (from line 3-14)	\$ 16,111	\$ -	
3-28		\$ -	\$ -	Debt Principal (from line 3-15)	\$ -	\$ -	
3-29	<b>(Add lines 3-23 through 3-28)</b>	\$ -	\$ -	<b>(Line 3-26, plus line 3-27, less line 3-24, less line 3-25)</b>	\$ 15,344	\$ -	
	<b>TOTAL TRANSFERS AND OTHER EXPENDITURES</b>	\$ -	\$ -	<b>TOTAL GAAP RECONCILING ITEMS</b>	\$ 15,344	\$ -	
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	\$ 16,407	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	Net Position, January 1 from December 31 prior year report	\$ 9,192	\$ -	
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.	\$ 25,599	\$ -	

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) 859-3000 for assistance.

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## 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?	<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 type="checkbox"/>	<input type="checkbox"/>	
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)			
General obligation bonds	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*must agree to prior year ending balance

Please use this space to provide any explanations or comments:

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?			N/A
Date the debt was authorized:			N/A
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?			N/A
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?			N/A
4-8 Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes: What is being leased?			N/A
What is the original date of the lease?			N/A
Number of years of lease?			N/A
Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>	
What are the annual lease payments?			N/A
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 enter \$ amounts):			
Bond Redemption			0.00
General/Other			25.14
<b>TOTAL</b>			<b>25.14</b>

## 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	\$ 158,846		
5-2 Certificates of deposit	\$ 44,795		
<b>TOTAL CASH DEPOSITS</b>		<b>\$ 203,641</b>	
Investments (if investment is a mutual fund, please list underlying investments):			
	\$ -		
	\$ -		
	\$ -		
	\$ -		
<b>TOTAL INVESTMENTS</b>		<b>\$ -</b>	
<b>TOTAL CASH AND INVESTMENTS</b>		<b>\$ 203,641</b>	

Please use this space to provide any explanations or comments:

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 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.)? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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## 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

See Garbage Fund for the capital outlay additions of the Proprietary Funds.

6-3 Complete the following Capital Assets table for GOVERNMENTAL FUNDS:	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ 125,947	\$ -	\$ -	\$ 125,947
Buildings	\$ 81,223	\$ -	\$ -	\$ 81,223
Machinery and equipment	\$ 484,007	\$ 2,700	\$ -	\$ 486,707
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain): Water Rights	\$ 14,400	\$ -	\$ -	\$ 14,400
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (384,080)	\$ (52,138)	\$ -	\$ (436,218)
<b>TOTAL</b>	<b>\$ 321,497</b>	<b>\$ (49,438)</b>	<b>\$ -</b>	<b>\$ 272,059</b>

  

6-4 Complete the following Capital Assets table for PROPRIETARY FUNDS:	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ 2,500	\$ -	\$ -	\$ 2,500
Buildings	\$ 12,940	\$ -	\$ -	\$ 12,940
Machinery and equipment	\$ 139,998	\$ 16,111	\$ -	\$ 156,109
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain): Water and Sewer Systems	\$ 1,725,703	\$ -	\$ -	\$ 1,725,703
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (957,762)	\$ (45,829)	\$ -	\$ (1,003,591)
<b>TOTAL</b>	<b>\$ 923,379</b>	<b>\$ (29,718)</b>	<b>\$ -</b>	<b>\$ 893,661</b>

\*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, EO, 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?

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## 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"/>	Garbage Fund \$49,097
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		Budget		Expenditure	
General Fund		\$	51,070		
Conservation Trust Fund		\$	2,084		
Water Utility Fund		\$	44,598		
Sewer Fund		\$	19,386		

## 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)]? <small>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.</small>	<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"/>	<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	\$ 203,641	Unrestricted Fund Balance	\$ 59,992	Total Tax Revenue	\$ 36,128	
Current Liabilities	\$ 38,779	Total Fund Balance	\$ 61,547	Revenue Paying Debt Service	\$ -	
Deferred Inflow	\$ 12,202	PY Fund Balance	\$ 46,393	Total Revenue	\$ 56,069	
		Total Revenue	\$ 58,573	Total Debt Service Principal	\$ -	
		Total Expenditures	\$ 38,419	Total Debt Service Interest	\$ -	
		Interfund In	\$ -			
		Interfund Out	\$ -	<b>Enterprise Funds</b>		
<b>Governmental</b>		- Proprietary	\$ -	Net Position	\$ 993,921	
Total Cash & Investments	\$ 97,227	- Current Assets	\$ 122,474	PY Net Position	\$ 1,025,907	
Transfers In	\$ -	Deferred Outflow	\$ 13,028	- Government-Wide		
Transfers Out	\$ -	- Current Liabilities	\$ -	Total Outstanding Debt	\$ -	
Property Tax	\$ -	Deferred Inflow	\$ 41,903	- Authorized but Unissued	N/A	
Debt Service Principal	\$ -	- Cash & Investments	\$ 83,473	Year Authorized	N/A	
Total Expenditures	\$ -	- Principal Expense	\$ -			
Total Developer Advances	\$ -					
Total Developer Repayments	\$ -					

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**PART 12 - 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

*N/A*

**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 reviewed and approved by 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 signed 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 the following 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.

**Original Signatures  
Verified by**

Justin L. Smith



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.
1	Stephen Lange, Mayor	I, <u>STEPHEN LANGE</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>Stephen Lange</u> Date: <u>3/12/2018</u> My term Expires: <u>2022</u>
2	Nick Koch, Mayor Pro-Tem	I, <u>NICK KOCH</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>Nick Koch</u> Date: <u>12 Mar 2018</u> My term Expires: <u>2022</u>
3	Gary Frick, Trustee	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: <u>Gary Frick</u> Date: <u>3-12-18</u> My term Expires: <u>2026</u>
4	Julie Gleason, Trustee	I, <u>Julie Gleason</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>Julie Gleason</u> Date: <u>3/12/18</u> My term Expires: <u>2022</u>
5	<u>Candi Patton, Trustee</u>	I, <u>Candi Patton</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>Candi Patton</u> Date: <u>3/12/18</u> My term Expires: <u>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: _____

9/10/18



Logan and Associates, LLC  
CERTIFIED PUBLIC ACCOUNTANTS

9149 S. Gun Club Rd., Suite K6-132  
Aurora, Colorado 80016  
303.835.6815  
Fax: 303.997.1056

Board of Trustees  
Town of Cheraw  
Cheraw, Colorado

## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Management is responsible for the accompanying financial statements (as required for an application for exemption from audit in the State of Colorado) of the Town of Cheraw, Colorado as of and for the year ended December 31, 2017. 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 financial statements 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 these financial statements.

### Other Matter

The accompanying form was prepared for the purpose of presenting the financial information in a format required to request an exemption from audit and is not intended to be a complete presentation of the financial information of the Town of Cheraw, Colorado in accordance with accounting principles generally accepted in the United States of America.

*Logan and Associates, LLC*

Aurora, Colorado  
March 6, 2018

## Town of Cheraw

PO Box 16  
210 Railroad Avenue  
Cheraw, CO 81030-0016  
Phone (719) 853-6013  
[townofcherawco@gmail.com](mailto:townofcherawco@gmail.com)  
April Gibson, Town Clerk



## Cheraw Town Council

Stephen Lange, Mayor  
Nick Koch, Mayor Pro Tem  
Gary Frick, Trustee  
Julie Gleason, Trustee  
Candi Patton, Trustee

March 6, 2018

Logan and Associates, LLC  
6140 S. Gun Club Rd. K6-132  
Aurora, Colorado 80016

We are providing this letter in connection with your preparation of the Application for Exemption from Audit – Long Form of the Town of Cheraw, Colorado as of December 31, 2017, and for the year then ended. We confirm that we are responsible for the fair presentation of the Application for Exemption from Audit – Long Form in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud. We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

1. The Application for Exemption from Audit – Long Form referred to above is fairly presented in conformity with accounting principles generally accepted in the United States of America and include all properly classified funds and other financial information of the Town.
2. We have made available to you all—
  - a. Financial records and related data, and all audit or relevant monitoring reports, if any, received from funding sources.
  - b. Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the Application for Exemption from Audit – Long Form.
5. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
6. We have no knowledge of any fraud or suspected fraud affecting the Town involving—
  - h. Management,

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- b. Employees who have significant roles in internal control, or
  - c. Others where the fraud could have a material effect on the Application for Exemption from Audit – Long Form.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the Town received in communications from employees, former employees, analysts, regulators, or others.
9. The Town has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
10. The following, if any, have been properly recorded or disclosed in the Application for Exemption from Audit – Long Form—
  - a. All accounting estimates that could be material to the Application for Exemption from Audit – Long Form, including the key factors and significant assumptions underlying those estimates. We believe the estimates, if any, are reasonable in the circumstances.
11. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax and debt limits or contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of the amounts reported in the Application for Exemption from Audit – Long Form, or other financial data significant to the preparation of the Application for Exemption from Audit – Long Form, including legal and contractual provisions for reporting specific activities in separate funds.
12. There are no—
  - a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, whose effects should be considered for disclosure in the Application for Exemption from Audit – Long Form, or as a basis for recording a loss contingency, or for reporting on noncompliance.
  - b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with generally accepted accounting principles.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by generally accepted accounting principles.
13. The Town has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
14. The Town has complied with all aspects of contractual agreements that would have a material effect on the Application for Exemption from Audit – Long Form in the event of noncompliance. This includes complying with any donor requirements.

15. We have reviewed, approved, and accepted responsibility for the Application for Exemption from Audit – Long Form.
16. The Application for Exemption from Audit – Long Form properly classify all funds and activities.
17. Net asset components (invested in capital assets net of related debt, restricted and unrestricted) and fund balance commitments and assignments are properly classified and, if applicable, approved.
18. Deposits and investment securities are properly classified as to risk, and investment ratings and valuations are proper.
19. To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned Application for Exemption from Audit – Long Form.
20. We have responded fully and truthfully to all inquiries made to us by you during your preparation of the Application for Exemption from Audit – Long Form.

Signed 

Title MAYOR