APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT	Fairway Pines Sanitation District	For the Year Ended 12/31/18 or fiscal year ended:
ADDRESS	2233 East Main Street	
	Montrose, Colorado 81401	
CONTACT PERSON	Cherrie Marolf	
PHONE	970-249-1805 extension 13	
EMAIL	Cherylm@busloptions.com	
FAX	970-249-8421	

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:	Donald R. Moreland
TITLE	C.P.A.
FIRM NAME (if applicable)	Donald R. Moreland & Associates, P.C.
ADDRESS	1675 East Niagara Road, Montrose, Colorado 81401
PHONE	(970) 249-3424
DATE PREPARED	05-Mar-19
RELATIONSHIP TO ENTITY	Independent accountant

PREPARER (SIGNATURE REQUIRED)

Donald R. Moreland

	YES	NO	
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.]	☐	☑	If Yes, date filed:

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RECEIVED
March 19, 2019
Office of the State Auditor

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

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

Line #	Description	Governmental Funds: Fund*	Governmental Funds: Fund*	Description	Proprietary/Fiduciary Funds: Enterprise Fund*	Proprietary/Fiduciary Funds: Fund*
	Assets			**Assets**		
1-1	Cash & Cash Equivalents	$ -	$ -	Cash & Cash Equivalents	$ 166,176	$ -
1-2	Investments	$ -	$ -	Investments	$ -	$ -
1-3	Receivables	$ -	$ -	Receivables	$ 22,152	$ -
1-4	Due from Other Entities or Funds	$ -	$ -	Due from Other Entities or Funds	$ 597	$ -
	All Other Assets [specify...]			Other Current Assets	$ -	$ -
1-5		$ -	$ -	Total Current Assets	$ 188,925	$ -
1-6		$ -	$ -	Capital Assets, net (from Part 6-4)	$ 962,815	$ -
1-7		$ -	$ -	Other Long Term Assets [specify ..]	$ -	$ -
1-8		$ -	$ -	Property taxes receivable	$ 87,567	$ -
1-9		$ -	$ -		$ -	$ -
1-10		$ -	$ -		$ -	$ -
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	$ -	$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	$ 1,239,307	$ -
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ -	$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 2,700	$ -
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	$ -	$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 1,242,007	$ -
	Liabilities			**Liabilities**		
1-14	Accounts Payable	$ -	$ -	Accounts Payable	$ 4,761	$ -
1-15	Accrued Payroll and Related Liabilities	$ -	$ -	Accrued Payroll and Related Liabilities	$ -	$ -
1-16	Accrued Interest Payable	$ -	$ -	Accrued Interest Payable	$ 475	$ -
1-17	Due to Other Entities or Funds	$ -	$ -	Due to Other Entities or Funds	$ -	$ -
1-18	All Other Current Liabilities	$ -	$ -	All Other Current Liabilities	$ -	$ -
1-19	TOTAL CURRENT LIABILITIES	$ -	$ -	TOTAL CURRENT LIABILITIES	$ 5,236	$ -
1-20	All Other Liabilities [specify...]	$ -	$ -	Proprietary Debt Outstanding (from Part 4-4)	$ 79,250	$ -
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	$ 84,486	$ -
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	$ -	$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	$ 87,564	$ -
	Fund Balance			**Net Position**		
1-30	Nonspendable Prepaid	$ -	$ -	Net Investment in Capital Assets	$ 962,815	$ -
1-31	Nonspendable Inventory	$ -	$ -			
1-32	Restricted [specify...]	$ -	$ -	Emergency Reserves	$ 11,000	$ -
1-33	Committed [specify...]	$ -	$ -	Other Designations/Reserves	$ 47,900	$ -
1-34	Assigned [specify...]	$ -	$ -	Restricted	$ -	$ -
1-35	Unassigned:	$ -	$ -	Undesignated/Unreserved/Unrestricted	$ 48,239	$ -
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	$ 1,069,954	$ -
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	$ 1,242,004	$ -

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

		Governmental Funds			Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
Line #	Description	Fund*	Fund*	Description	Enterprise Fund*	Fund*	
	Tax Revenue			Tax Revenue			
2-1	Property (include mills levied in Question 10-6)	$ -	$ -	Property (include mills levied in Question 10-6)	$ 73,496	$ -	
2-2	Specific Ownership	$ -	$ -	Specific Ownership	$ 8,349	$ -	
2-3	Sales and Use Tax	$ -	$ -	Sales and Use Tax	$ -	$ -	
2-4	Other Tax Revenue (specify...):	$ -	$ -	Other Tax Revenue (specify...):	$ -	$ -	
2-5		$ -	$ -	Interest on taxes	$ 948	$ -	
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	$ 82,793	$ -	
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	$ 80,790	$ -	
2-17	Rental Income	$ -	$ -	Rental Income	$ -	$ -	
2-18	Fines and Forfeits	$ -	$ -	Fines and Forfeits	$ -	$ -	
2-19	Interest/Investment Income	$ -	$ -	Interest/Investment Income	$ 477	$ -	
2-20	Tap Fees	$ -	$ -	Tap Fees	$ -	$ -	
2-21	Proceeds from Sale of Capital Assets	$ -	$ -	Proceeds from Sale of Capital Assets	$ -	$ -	
2-22	All Other (specify...):	$ -	$ -	All Other (specify...):	$ -	$ -	
2-23		$ -	$ -	Electric solar credits	$ 676	$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	$ -	$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	$ 164,736	$ -	
	Other Financing Sources			Other Financing Sources			
2-25	Debt Proceeds	$ -	$ -	Debt Proceeds	$ -	$ -	
2-26	Developer Advances	$ -	$ -	Developer Advances	$ -	$ -	
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	$ 164,736	$ -	$ 164,736

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: Fund*	Governmental Funds: Fund*	Description	Proprietary/Fiduciary Funds: Enterprise Fund*	Proprietary/Fiduciary Funds: Fund*
	Expenditures			Expenditures		
3-1	General Government	$ -	$ -	General Operating & Administrative	$ 5,076	$ -
3-2	Judicial	$ -	$ -	Salaries	$ -	$ -
3-3	Law Enforcement	$ -	$ -	Payroll Taxes	$ -	$ -
3-4	Fire	$ -	$ -	Contract Services	$ 35,425	$ -
3-5	Highways & Streets	$ -	$ -	Employee Benefits	$ -	$ -
3-6	Solid Waste	$ -	$ -	Insurance	$ 3,005	$ -
3-7	Contributions to Fire & Police Pension Assoc.	$ -	$ -	Accounting and Legal Fees	$ 4,139	$ -
3-8	Health	$ -	$ -	Repair and Maintenance	$ 14,084	$ -
3-9	Culture and Recreation	$ -	$ -	Supplies	$ 799	$ -
3-10	Transfers to other districts	$ -	$ -	Utilities	$ 3,140	$ -
3-11	Other [specify...]:	$ -	$ -	Contributions to Fire & Police Pension Assoc.	$ -	$ -
3-12		$ -	$ -	Other [specify...]	$ -	$ -
3-13		$ -	$ -	Schedule attached	$ -	$ -
3-14	Capital Outlay	$ -	$ -	Capital Outlay	$ -	$ -
	Debt Service			Debt Service		
3-15	Principal	$ -	$ -	Principal	$ 75,000	$ -
3-16	Interest	$ -	$ -	Interest	$ 10,599	$ -
3-17	Bond Issuance Costs	$ -	$ -	Bond Issuance Costs	$ 2,700	$ -
3-18	Developer Principal Repayments	$ -	$ -	Developer Principal Repayments	$ -	$ -
3-19	Developer Interest Repayments	$ -	$ -	Developer Interest Repayments	$ -	$ -
3-20	All Other [specify...]:	$ -	$ -	All Other [specify...]:	$ 8,850	$ -
3-21		$ -	$ -		$ -	$ -
3-22	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	$ -	$ -	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	$ 162,817	$ -
3-23	Interfund Transfers (In)	$ -	$ -	Net Interfund Transfers (In) Out	$ -	$ -
3-24	Interfund Transfers Out	$ -	$ -	Other [specify...][enter negative for expense]	$ -	$ -
3-25	Other Expenditures (Revenues):	$ -	$ -	Depreciation	$ 41,496	$ -
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, 3-18)	$ 75,000	$ -
3-29	(Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES	$ -	$ -	(Line 3-26, plus line 3-27, less line 3-24, less line 3-25) TOTAL GAAP RECONCILING ITEMS	$ 33,504	$ -
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	$ 35,423	$ -
3-31	Fund Balance, January 1 from December 31 prior year report	$ -	$ -	Net Position, January 1 from December 31 prior year report	$ 1,034,531	$ -
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.	$ 1,069,954	$ -

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

GRAND TOTAL $ 162,817

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
4-1	Does the entity have outstanding debt?	☑	☐
4-2	Is the debt repayment schedule attached? If no, MUST explain:	☑	☐
4-3	Is the entity current in its debt service payments? If no, MUST explain:	☑	☐

Please use this space to provide any explanations or comments:

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	$ 154,250	$ -	$ 75,000	$ 79,250
Revenue bonds	$ -	$ -	$ -	$ -
Notes/Loans	$ -	$ -	$ -	$ -
Leases	$ -	$ -	$ -	$ -
Developer Advances	$ -	$ -	$ -	$ -
Other (specify):	$ -	$ -	$ -	$ -
TOTAL	$ 154,250	$ -	$ 75,000	$ 79,250

*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?		☐	☑
If yes:	How much?	$ -		
	Date the debt was authorized:			
4-6	Does the entity intend to issue debt within the next calendar year?		☐	☑
If yes:	How much?	$ -		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?		☐	☑
If yes:	What is the amount outstanding?	$ -		
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?	$ -		

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	$ 166,176	
5-2	Certificates of deposit	$ -	
	TOTAL CASH DEPOSITS		$ 166,176
	Investments (if investment is a mutual fund, please list underlying investments):		
5-3		$ -	
		$ -	
		$ -	
		$ -	
	TOTAL INVESTMENTS		$ -
	TOTAL CASH AND INVESTMENTS		$ 166,176

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.?	☐	☐	☑
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:	☑	☐	☐

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?	☑	☐	
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 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	$ 200,055	$ -	$ -	$ 200,055
Buildings	$ -	$ -	$ -	$ -
Machinery and equipment	$ 11,134	$ -	$ -	$ 11,134
Furniture and fixtures	$ -	$ -	$ -	$ -
Infrastructure	$ 1,347,081	$ -	$ -	$ 1,347,081
Construction In Progress (CIP)	$ -	$ -	$ -	$ -
Other (explain):	$ -	$ -	$ -	$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	$ (553,959)	$ (41,496)	$ -	$ (595,455)
TOTAL	$ 1,004,311	$ (41,496)	$ -	$ 962,815

*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?	☐	☑	
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?	$ -

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:	☑	☐	☐	
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 budgeted for each fund for the year reported

Fund Name	Budgeted Expenditures
Enterprise	$ 179,293
	$ -
	$ -
	$ -

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

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:			
10-2	Has the entity changed its name in the past or current year?	☐	☑	
If Yes:	NEW name			
	PRIOR name			
10-3	Is the entity a metropolitan district?	☐	☑	
10-4	Please indicate what services the entity provides: Sanitation			
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:			
10-6	Does the entity have a certified mill levy?	☑	☐	
If yes:	Please provide the number of mills levied for the year reported (do not enter $ amounts):			

Bond Redemption mills	34.133
General/Other mills	0.000
Total mills	34.133

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	$	166,176	Unrestricted Fund Balar	$	-	Total Tax Revenue	$	-	
Current Liabilities	$	5,236	Total Fund Balance	$	-	Revenue Paying Debt Service	$	-	
Deferred Inflow	$	87,564	PY Fund Balance	$	-	Total Revenue	$	-	
			Total Revenue	$	-	Total Debt Service Principal	$	-	
			Total Expenditures	$	-	Total Debt Service Interest	$	-	
Governmental			Interfund In	$	-				
Total Cash & Investments	$	-	Interfund Out	$	-	**Enterprise Funds**			
Transfers In	$	-	**Proprietary**			Net Position	$	1,069,954	
Transfers Out	$	-	Current Assets	$	188,925	PY Net Position	$	1,034,531	
Property Tax	$	-	Deferred Outflow	$	2,700	**Government-Wide**			
Debt Service Principal	$	-	Current Liabilities	$	5,236	Total Outstanding Debt	$	79,250	
Total Expenditures	$	-	Deferred Inflow	$	87,564	Authorized but Unissued	$	-	
Total Developer Advances	$	-	Cash & Investments	$	166,176	Year Authorized	$	-	
Total Developer Repayments	$	-	Principal Expense	$	75,000				

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?	☐	☑

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 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.

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. Print Board Member's Name	A MAJORITY of the governing board members must complete and sign in the column below.
Board Member 1	Alan Abrahamson	I, Alan Abrahamson, 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: December 31, 2018
Board Member 2	Scott Chomiak	I, Scott Chomiak, 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: December 31, 2020
Board Member 3	Paul Stashick	I, Paul Stashick, 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: December 31, 2022
Board Member 4		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:________
Board Member 5		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:________
Board Member 6		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:________
Board Member 7		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:________

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?	☐	☑

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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.

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. (Print Board Member's Name)	A MAJORITY of the governing board members must complete and sign in the column below.
Board Member 1	Alan Abrahamson	I, Alan Abrahamson, 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: December 31, 2018
Board Member 2	Scott Chomiak	I, Scott Chomiak, 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: 3.10.2019 My term Expires: December 31, 2020
Board Member 3	Paul Stashick	I, Paul Stashick, 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: December 31, 2022
Board Member 4		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: ________
Board Member 5		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: ________
Board Member 6		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: ________
Board Member 7		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: ________

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?	☐	☑

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 obtained through a program such as Docusign or Echosign Required elements and safeguards are as follows:

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Board Member 2	Scott Chomiak	I, Scott Chomiak, 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: December 31, 2020
Board Member 3	Paul Stashick	I, Paul Stashick, 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 Paul Date: 3/3/19 My term Expires: December 31, 2022
Board Member 4		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: ________
Board Member 5		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: ________
Board Member 6		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: ________
Board Member 7		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: ________

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?	☐	☒

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

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Board Member 2	Scott Chomiak	I, Scott Chomiak, 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: December 31, 2020
Board Member 3	Paul Stashick	I, Paul Stashick, 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: December 31, 2022
Board Member 4		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: ____
Board Member 5		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: ____
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Board Member 7		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: ____

FAIRWAY PINES SANITATION DISTRICT
APPLICATION FOR EXEMPTION FROM AUDIT
For the year ended December 31, 2018

OPERATING STATEMENT - PROPRIETARY AND FIDUCIARY FUNDS

EXPENDITURES - OTHER:

Bank and bond charges	$ 5
Directors' fees	1,050
Dues	175
Office	421
Telephone	511
Compliance monitoring and testing	2,729
Freight	80
Discharge permits	2,195
Postage and delivery	195
Treasurer's fees	1,489
	$8,850

BOND DEBT SERVICE

Fairway Pines Sanitation District
General Obligation Bonds, Series 2000

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/26/2000					
12/01/2000			24,488.02	24,488.02	24,488.02
06/01/2001			29,385.63	29,385.63	
12/01/2001			29,385.63	29,385.63	58,771.26
06/01/2002			29,385.63	29,385.63	
12/01/2002	30,000	5.500%	29,385.63	59,385.63	88,771.26
06/01/2003			28,560.63	28,560.63	
12/01/2003	30,000	5.650%	28,560.63	58,560.63	87,121.26
06/01/2004			27,713.13	27,713.13	
12/01/2004	30,000	5.750%	27,713.13	57,713.13	85,426.26
06/01/2005			26,850.63	26,850.63	
12/01/2005	35,000	5.850%	26,850.63	61,850.63	88,701.26
06/01/2006			25,826.88	25,826.88	
12/01/2006	35,000	6.000%	25,826.88	60,826.88	86,653.76
06/01/2007			24,776.88	24,776.88	
12/01/2007	35,000	6.050%	24,776.88	59,776.88	84,553.76
06/01/2008			23,718.13	23,718.13	
12/01/2008	40,000	6.150%	23,718.13	63,718.13	87,436.26
06/01/2009			22,488.13	22,488.13	
12/01/2009	40,000	6.250%	22,488.13	62,488.13	84,976.26
06/01/2010			21,238.13	21,238.13	
12/01/2010	45,000	6.350%	21,238.13	66,238.13	87,476.26
06/01/2011			19,809.38	19,809.38	
12/01/2011	45,000	6.500%	19,809.38	64,809.38	84,618.76
06/01/2012			18,346.88	18,346.88	
12/01/2012	50,000	7.125%	18,346.88	68,346.88	86,693.76
06/01/2013			16,565.63	16,565.63	
12/01/2013	55,000	7.125%	16,565.63	71,565.63	88,131.26
06/01/2014			14,606.25	14,606.25	
12/01/2014	60,000	7.125%	14,606.25	74,606.25	89,212.50
06/01/2015			12,468.75	12,468.75	
12/01/2015	60,000	7.125%	12,468.75	72,468.75	84,937.50
06/01/2016			10,331.25	10,331.25	
12/01/2016	65,000	7.125%	10,331.25	75,331.25	85,662.50
06/01/2017			8,015.63	8,015.63	
12/01/2017	70,000	7.125%	8,015.63	78,015.63	86,031.26
06/01/2018			5,521.88	5,521.88	
12/01/2018	75,000	7.125%	5,521.88	80,521.88	86,043.76
06/01/2019			2,850.00	2,850.00	
12/01/2019	80,000	7.125%	2,850.00	82,850.00	85,700.00
	880,000		761,406.92	1,641,406.92	1,641,406.92

DONALD R. MORELAND & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Fairway Pines Sanitation District
Montrose, Colorado 81401

The accompanying Application for Exemption from Audit of the Fairway Pines Sanitation District as of December 31, 2018 was not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on it.

Donald R. Moreland & Associates, P.C.

Montrose, Colorado
March 5, 2019

Telephone (970) 249-3424 Facsimile (970) 249-3425

1675 East Niagara Road * Montrose, Colorado 81401