

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT
ADDRESSOtis Sanitation District
P.O. Box 182
Otis, Colorado 80743For the Year Ended
12/31/2018
or fiscal year ended:CONTACT PERSON
PHONE
EMAIL
FAXDavid Allen
970-554-0563
davera1950@gmail.com
N/A

CERTIFICATION OF PREPARER

I certify that I am an independent accountant with knowledge of governmental accounting and that the information in the Application is complete and accurate to the best of my knowledge. I am aware that the Audit Law requires that a person independent of the entity complete the application if revenues or expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED
RELATIONSHIP TO ENTITYScott Szabo
Certified Public Accountant
Lauer, Szabo & Associates, P.C.
205 Main Street - P.O. Box 1886, Sterling, Colorado 80751
970-522-2218
February 15, 2019
We are an independent firm of certified public accountants.

PREPARER (SIGNATURE REQUIRED)

See Independent Accountants' Compilation Report.

Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]

YES

NO

☐☒

If Yes, date filed:

See Independent Accountants' Compilation Report.

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

		Governmental Funds				Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
Line #	Description	Fund*	Fund*	Description	General Fund	Fund*		
Assets				Assets				
1-1	Cash & Cash Equivalents	\$ -	\$ -	Cash & Cash Equivalents	\$ 349,633	\$ -		
1-2	Investments	\$ -	\$ -	Investments	\$ 35,802	\$ -		
1-3	Receivables	\$ -	\$ -	Receivables	\$ 12,115	\$ -		
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ 98	\$ -		
	All Other Assets [specify...]			Other Current Assets	\$ -	\$ -		
1-5		\$ -	\$ -					
1-6		\$ -	\$ -					
1-7		\$ -	\$ -					
1-8		\$ -	\$ -					
1-9		\$ -	\$ -					
1-10		\$ -	\$ -					
	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -	Total Current Assets	\$ 397,648	\$ -		
1-11	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	Capital Assets, net (from Part 5-4)	\$ 1,401,083	\$ -		
1-12		\$ -	\$ -	Other Long Term Assets [specify...]	\$ -	\$ -		
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -		\$ -	\$ -		
Liabilities				Liabilities				
1-14	Accounts Payable	\$ -	\$ -	Accounts Payable	\$ 1,200	\$ -		
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -		
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ 6,989	\$ -		
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	\$ 8,189	\$ -		
1-20	All Other Liabilities [specify...]	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ 762,426	\$ -		
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	\$ 770,615	\$ -		
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 3,747	\$ -		
Fund Balance				Net Position				
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ 638,657	\$ -		
1-31	Nonspendable Inventory	\$ -	\$ -					
1-32	Restricted [specify...]	\$ -	\$ -	Emergency Reserves	\$ 3,200	\$ -		
1-33	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -		
1-34	Assigned [specify...]	\$ -	\$ -	Restricted	\$ 36,319	\$ -		
1-35	Unassigned:	\$ -	\$ -	Undesignated/Unreserved/Unrestricted	\$ 346,193	\$ -		
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	\$ 1,024,369	\$ -		
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	\$ 1,798,731	\$ -		

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	General Fund	Fund*				
Tax Revenue				Tax Revenue						
2-1	Property [include mills levied in Question 10-6]	\$	-	\$	-	Property [include mills levied in Question 10-6]	\$	3,798	\$	-
2-2	Specific Ownership	\$	-	\$	-	Specific Ownership	\$	445	\$	-
2-3	Sales and Use Tax	\$	-	\$	-	Sales and Use Tax	\$	-	\$	-
2-4	Other Tax Revenue [specify...]:	\$	-	\$	-	Other Tax Revenue [specify...]:	\$	-	\$	-
2-5		\$	-	\$	-	Delinquent Taxes and Interest	\$	33	\$	-
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	\$	4,276	\$	-
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	\$	100,280	\$	-
2-17	Rental Income	\$	-	\$	-	Rental Income	\$	-	\$	-
2-18	Fines and Forfeits	\$	-	\$	-	Fines and Forfeits	\$	-	\$	-
2-19	Interest/Investment Income	\$	-	\$	-	Interest/Investment Income	\$	461	\$	-
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		\$	-	\$	-	Miscellaneous	\$	79	\$	-
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$	-	\$	-	Add lines 2-8 through 2-23 TOTAL REVENUES	\$	105,096	\$	-
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	\$	-	\$	-
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	\$	105,096	\$	-
										GRAND TOTALS
										\$ 105,096

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

GRAND TOTALS

\$ 105,096

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

		Governmental Funds				Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
Line #	Description	Fund*	Fund*	Description	General Fund	Fund*		
Expenditures				Expenditures				
3-1	General Government	\$ -	\$ -	General Operating & Administrative	\$ 978	\$ -		
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -		
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -		
3-4	Fire	\$ -	\$ -	Contract Services	\$ 14,400	\$ -		
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -		
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ 5,408	\$ -		
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ 725	\$ -		
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ 9,800	\$ -		
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ -	\$ -		
3-10	Transfers to other districts	\$ -	\$ -	Utilities	\$ 3,110	\$ -		
3-11	Other [specify...]:	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -		
3-12		\$ -	\$ -	Other [specify...]	\$ -	\$ -		
3-13		\$ -	\$ -		\$ -	\$ -		
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -		
	Debt Service			Debt Service				
3-15	Principal	\$ -	\$ -	Principal	\$ 13,597	\$ -		
3-16	Interest	\$ -	\$ -	Interest	\$ 20,207	\$ -		
3-17	Bond Issuance Costs	\$ -	\$ -	Bond Issuance Costs	\$ -	\$ -		
3-18	Developer Principal Repayments	\$ -	\$ -	Developer Principal Repayments	\$ -	\$ -		
3-19	Developer Interest Repayments	\$ -	\$ -	Developer Interest Repayments	\$ -	\$ -		
3-20	All Other [specify...]:	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -		
3-21		\$ -	\$ -		\$ -	\$ -		
3-22	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ -	\$ -	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 68,225	\$ -		
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	\$ 31,003	\$ -		
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)	\$ 13,597	\$ -		
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	\$ (17,406)	\$ -		
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	\$ 19,465	\$ -		
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	Net Position, January 1 from December 31 prior year report	\$ 1,004,904	\$ -		
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.	\$ 1,024,369	\$ -		

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

GRAND TOTAL
\$ 68,225

IF GRAND TOTAL EXPENDITURES for all funds (Line 3-22) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

YES

NO

Please use this space to provide any explanations or comments:

4-1 Does the entity have outstanding debt?

☒

☐

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:

☒

☐

4-4

Please complete the following debt schedule, if applicable: (please only include principal amounts)

	Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ 776,023	\$ -	\$ 13,597	\$ 762,426
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 776,023	\$ -	\$ 13,597	\$ 762,426

*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?

\$ -

If yes: 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

Please use this space to provide any explanations or comments:

5-1 YEAR-END Total of ALL Checking and Savings accounts

\$ 349,633

5-2 Certificates of deposit

\$ 35,802

TOTAL CASH DEPOSITS

\$ 385,435

Investments (if investment is a mutual fund, please list underlying investments):

5-3

\$ -

\$ -

\$ -

\$ -

TOTAL INVESTMENTS

\$ -

TOTAL CASH AND INVESTMENTS

\$ 385,435

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:	☒	☐	

	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
6-3 Complete the following Capital Assets table for GOVERNMENTAL FUNDS:				
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:				
Land	\$ 53,368	\$ -	\$ -	\$ 53,368
Buildings	\$ 35,000	\$ -	\$ -	\$ 35,000
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 1,589,394	\$ -	\$ -	\$ 1,589,394
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (245,676)	\$ (31,003)	\$ -	\$ (276,679)
TOTAL	\$ 1,432,086	\$ (31,003)	\$ -	\$ 1,401,083

*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	
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:	☒	☐	☐	Please use this space to provide any explanations or comments:		
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				
		General Fund	\$	453,091			
			\$	-			
			\$	-			
			\$	-			

PART 9 - TAX PAYER'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)]?	☒	☐	Please use this space to provide any explanations or comments:		
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	
10-1	Is this application for a newly formed governmental entity?	☐	☒	Please use this space to provide any explanations or comments:		
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:	☐	☒			
Sanitary sewer services.						
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 <u>mills</u> levied for the year reported (do not enter \$ amounts):						
		Bond Redemption mills	0.000			
		General/Other mills	2.535			
		Total mills	2.535			
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	\$	385,435	Unrestricted Fund Balan \$	-	Total Tax Revenue	\$ -
Current Liabilities	\$	8,189	Total Fund Balance \$	-	Revenue Paying Debt Service	\$ -
Deferred Inflow	\$	3,747	PY Fund Balance \$	-	Total Revenue	\$ -
			Total Revenue \$	-	Total Debt Service Principal	\$ -
			Total Expenditures \$	-	Total Debt Service Interest	\$ -
			Interfund In \$	-		
			Interfund Out \$	-		
			Proprietary		Enterprise Funds	
			Current Assets \$	397,648	Net Position	\$ 1,024,369
			Deferred Outflow \$	-	PY Net Position	\$ 1,004,904
			Current Liabilities \$	8,189	Government-Wide	
			Deferred Inflow \$	3,747	Total Outstanding Debt	\$ 762,426
			Cash & Investments \$	385,435	Authorized but Unissued	\$ -
			Principal Expense \$	13,597	Year Authorized	\$ -

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.

A MAJORITY of the governing board members must complete and sign in the column below.

Board Member	Print Board Member's Name	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
1	Jesse Stackhouse	
2	David Allen	
3	Jeremy Mandel	
4	Mike Brown	
5	Trent Alexander	
6		
7		

OTIS SANITATION DISTRICT
Analysis of Notes Payable
December 31, 2018

USDA Rural Development Loan				
	Principal	Interest	Total	
2019	\$ 14,011.01	\$ 20,872.99	\$ 34,884.00	
2020	14,343.12	20,540.88	34,884.00	
2021	14,796.12	20,087.88	34,884.00	
2022	15,205.81	19,678.19	34,884.00	
2023	15,626.85	19,257.15	34,884.00	
2024	16,008.26	18,875.74	34,884.00	
2025	16,502.78	18,381.22	34,884.00	
2026	16,959.73	17,924.27	34,884.00	
2027	17,429.33	17,454.67	34,884.00	
2028	17,865.77	17,018.23	34,884.00	
2029	18,406.62	16,477.38	34,884.00	
2030	18,916.28	15,967.72	34,884.00	
2031	19,440.06	15,443.94	34,884.00	
2032	19,937.87	14,946.13	34,884.00	
2033	20,530.40	14,353.60	34,884.00	
2034	21,098.86	13,785.14	34,884.00	
2035	21,683.07	13,200.93	34,884.00	
2036	22,249.35	12,634.65	34,884.00	
2037	22,899.52	11,984.48	34,884.00	
2038	23,533.58	11,350.42	34,884.00	
2039	24,185.20	10,698.80	34,884.00	
2040	24,827.86	10,056.14	34,884.00	
2041	25,542.33	9,341.67	34,884.00	
2042	26,249.57	8,634.43	34,884.00	
2043	26,976.40	7,907.60	34,884.00	
2044	27,704.26	7,179.74	34,884.00	
2045	28,490.45	6,393.55	34,884.00	
2046	29,279.32	5,604.68	34,884.00	
2047	30,090.04	4,793.96	34,884.00	
2048	30,912.94	3,971.06	34,884.00	
2049	31,779.16	3,104.84	34,884.00	
2050	32,659.09	2,224.91	34,884.00	
2051	33,563.39	1,320.61	34,884.00	
2052	22,721.13	391.69	23,112.82	
Totals	\$ 762,425.53	\$ 411,859.29	\$ 1,174,284.82	

See Independent Accountants' Compilation Report.

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

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 2018 FOR THE **Otis Sanitation District**, STATE OF COLORADO.

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

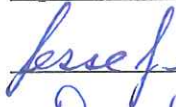
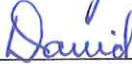
WHEREAS, neither revenues nor expenditures for **Otis Sanitation District** exceeded \$750,000 for Year 2018; and

WHEREAS, an application for exemption from audit for **Otis Sanitation District** has been prepared by **Lauer, Szabo & Associates, P.C.**, an independent accounting firm with knowledge of governmental accounting; and

WHEREAS, said application for exemption from audit has been completed in accordance with regulations, issued by the State Auditor.

NOW THEREFORE, be it resolved/ordained by the **Board of Directors** of the **Otis Sanitation District** that the application for exemption from audit for **Otis Sanitation District** for the year ended December 31, 2018, has been personally reviewed and is hereby approved by a majority of the **Board of Directors** of the **Otis 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 **Otis Sanitation District** for the year ended December 31, 2018.

ADOPTED THIS 25th day of February, 2019.

<u>Printed Name of Director</u>	<u>Date Term Expires</u>	<u>Signature</u>
Jesse Stackhouse	2022	
David Allen	2020	
Jeremy Mandel	2022	
Mike Brown	2020	
Trent Alexander	2022	





LAUER, SZABO & ASSOCIATES, PC

Certified Public Accountants

205 Main St. • P.O. Box 1886 • Sterling, CO 80751-7886
Phone 970-522-2218 • FAX 970-522-2220

Independent Accountants' Compilation Report

To the Board of Directors
Otis Sanitation District
Otis, Colorado

Management is responsible for the accompanying financial statements of Otis Sanitation District, which comprise the balance sheet as of December 31, 2018, and the related operating statements for the year then ended, included in the accompanying prescribed form. 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.

The financial statements included in the accompanying prescribed form are presented in accordance with requirements of the Colorado Office of the State Auditor, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of Otis Sanitation District and the Colorado Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
February 15, 2019