

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year.

In that event, AN AUDIT SHALL BE REQUIRED.

## APPLICATION FOR EXEMPTION FROM AUDIT

### SHORT FORM

NAME OF GOVERNMENT	Salt Creek Sanitation District
ADDRESS	1421 Laredo Pueblo, CO. 81006
CONTACT PERSON	Ted Lopez
PHONE	(719)545-6045
EMAIL	
FAX	

For the Year Ended  
12/31/18  
or fiscal year ended:

### PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:	Theodore F Lopez
TITLE	Accountant
FIRM NAME (if applicable)	Ahora Tax & Bookkeeping
ADDRESS	207 W. Northern Avenue
PHONE	Pueblo, CO. 81004-3107
DATE PREPARED	

P

RECEIVED

March 12, 2019

Office of the State Auditor

### PREPARER (SIGNATURE REQUIRED)

Theodore F. Lopez

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

GOVERNMENTAL  
MODIFIED ACCRUAL BASIS

PROPRIETARY  
CASH OR BUDGETARY BASIS

X

### PART 2 - REVENUE

**REVENUE:** All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ -	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ 24,596	
2-11	Fines and forfeits	\$ 1,525	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (uld agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Interest	\$ 1,101	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 27,222	

### PART 3 - EXPENDITURES

**EXPENDITURES:** All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 4,473	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 1,495	
3-7	Accounting and legal fees	\$ 597	
3-8	Repair and maintenance	\$ 674	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Culture and recreation	\$ -	
3-15	Utility operations	\$ 3,072	
3-16	Capital outlay	\$ -	

3-17	Debt service principal	ould agree with Part 4)	\$	-
3-18	Debt service interest		\$	-
3-19	Repayment of Developer Advance Principal	ould agree with line 4-4)	\$	-
3-20	Repayment of Developer Advance Interest		\$	-
3-21	Contribution to pension plan	ould agree to line 7-2)	\$	-
3-22	Contribution to Fire & Police Pension Assoc.	ould agree to line 7-2)	\$	-
3-23	Environmental Compliance Services		\$	750
3-24	Subcontracted Bookkeeping Services		\$	4,730
3-25			\$	-
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES			\$ 15,791

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

### PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

- 4-1 Does the entity have outstanding debt? **Yes** **No**  
 If Yes, please attach a copy of the entity's Debt Repayment Schedule.
- 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)(enter all amount as positive numbers)

	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

\*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

- 4-5 Does the entity have any authorized, but unissued, debt? **Yes** **No**  
 If yes: How much? \$ - **NO**  
 Date the debt was authorized:
- 4-6 Does the entity intend to issue debt within the next calendar year? **Yes** **No**  
 If yes: How much? \$ - **NO**
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for? **Yes** **No**  
 If yes: What is the amount outstanding? \$ -
- 4-8 Does the entity have any lease agreements? **Yes** **No**  
 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? \$ -

Please use this space to provide any explanations or comments:

### PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ 48,642	
5-2 Certificates of deposit	\$ 168,290	
<b>Total Cash Deposits</b>		\$ 216,932
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
5-3	\$ -	
	\$ -	
<b>Total Investments</b>		\$ -
<b>Total Cash and Investments</b>		\$ 216,932

Please answer the following questions by marking in the appropriate boxes.

- 5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.? **Yes** **No** **N/A** **YES**
- 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.)? **Yes** **No** **N/A** **YES**

If no, MUST use this space to provide any explanations:

### PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.

- 6-1 Does the entity have capital assets? **Yes** **No** **YES**
- 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**

6-3 Complete the following capital assets table.

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ 20,500	\$ -	\$ -	\$ 20,500
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ 598,496	\$ -	\$ -	\$ 598,496

Furniture and fixtures	\$ 140	\$ -	\$ -	\$ 140		
Infrastructure	\$ -	\$ -	\$ -	\$ -		
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -		
Computer	\$ 1,001	\$ -	\$ -	\$ 1,001		
Accumulated Depreciation	\$ (591,801)	\$ -	\$ 1,045	\$ (592,846)		
<b>TOTAL</b>	\$ 28,336	\$ -	\$ 1,045	\$ 27,291	\$ -	\$ -

Please use this space to provide any explanations or comments:

### PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

		Yes	No
7-1	Does the entity have an "old hire" firemen's pension plan?	NO	
7-2	Does the entity have a volunteer firemen's pension plan?	NO	
If yes:	Who administers the plan?		
	Indicate the contributions from:		
	Tax (property, SO, sales, etc.):	\$ -	
	State contribution amount:	\$ -	
	Other (gifts, donations, etc.):	\$ -	
	<b>TOTAL</b>	\$ -	
	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -	

Please use this space to provide any explanations or comments:

### PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

		Yes	No	N/A
8-1	Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?	YES		
8-2	Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:	YES		
If yes:	Please indicate the amount budgeted for each fund for the year reported:			
	Administrative	\$ 16,800		
	System Operation & Maintenance	\$ 40,000		
	Contingency	\$ 19,000		

### PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box.

9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 10.1(a)]?	Yes	No
		X	

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

### PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

		Yes	No
10-1	Is this application for a newly formed governmental entity?		NO
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		
If yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?		
	Please indicate what services the entity provides:		
10-4	Does the entity have an agreement with another government to provide services?		
If yes:	List the name of the other governmental entity and the services provided:		
10-5	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year?		
If yes:	Date Filed:		
10-6	Does the entity have a certified Mill Levy?		
If yes:	Please provide the following <u>mills</u> levied for the year reported (do not report \$ amounts):		

Bond Redemption mills	-		
General/Other mills	-		
Total mills	-		

Please use this space to provide any explanations or comments:

**PART 11 - GOVERNING BODY APPROVAL**

Please answer the following question by marking in the appropriate box

YES

NO

12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

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

**Policy - Requirements**

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

**The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:**

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
  - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
  - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL current governing board members below.

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

Print Board Member's Name

I JOVITA CHAVEZ, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.

Signed

Board Member

Jovita Chavez

1		Signed _____ Date: <u>FEB 28, 2019</u> My term Expires: <u>MAY 5, 2020</u>
Board Member 2	Print Board Member's Name <u>Manuel Espinoza</u>	I <u>MANUEL ESPINOZA</u> attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: <u>FEB 28, 2019</u> My term Expires: <u>MAY 5, 2020</u>
Board Member 3	Print Board Member's Name <u>Edward Gutierrez</u>	I <u>EDWARD GUTIERREZ</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: <u>FEB 28, 2019</u> My term Expires: <u>MAY 3, 2022</u>
Board Member 4	Print Board Member's Name <u>Ted T Lopez</u>	I <u>TED T LOPEZ</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: <u>FEB 28, 2019</u> My term Expires: <u>MAY 5, 2020</u>
Board Member 5	Print Board Member's Name <u>Alfonso Naranjo</u>	I <u>ALFONSO NARANJO</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: <u>FEB 28, 2019</u> My term Expires: <u>MAY 3, 2022</u>
Board Member 6	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

### RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT

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

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 20XX FOR THE (name of government), STATE OF COLORADO.

WHEREAS, the (governing body) of (name of government) wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed seven hundred and fifty thousand dollars may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

[Choose 1 or 2 below, whichever is applicable]

(1) WHEREAS, neither revenue nor expenditures for (name of government) exceeded \$100,000 for Fiscal Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual), a person skilled in governmental accounting; and

OR

(2) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$750,000 for Fiscal Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual or firm), an independent accountant with knowledge of governmental accounting; and

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

NOW THEREFORE, be it resolved/ordained by the (governing body) of the (name of government) that the application for exemption from audit for (name of government) for the Fiscal Year ended \_\_\_\_\_, 20XX, has been personally reviewed and is hereby approved by a majority of the (governing body) of the (name of government); that those members of the (governing body) 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 (name of government) for the fiscal year ended \_\_\_\_\_, 20XX.

ADOPTED THIS \_\_\_ day of \_\_\_\_\_, A.D. 20XX.

the wording may be used as  
making any changes where

**SALT CREEK SANITATION DISTRICT  
1421 LAREDO  
PUEBLO, CO 81006  
(719)545-6045**

**Resolution for Exemption from Audit  
2018**

**Resolution: 2019-**

**Whereas**, the Board of Directors of the Salt Creek Sanitation District wishes to claim exemption from the audit requirements of Section 29-1-603, CRS; and

**Whereas**, Section 29-1-604, CRS, states that any local government where neither revenues nor expenditures exceed five hundred thousand dollars may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, CRS, and

**Whereas**, neither revenue nor expenditures for Salt Creek Sanitation District exceed \$100,000 for the fiscal year 2012; and

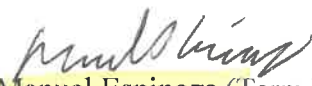
**Whereas**, application fro exemption from audit for Salt Creek Sanitation District has been prepared by Theodore F. Lopez, a person skilled in governmental accounting, and


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

**Now Therefore**, be it resolved by the Board of Directors of the Salt Creek Sanitation District that the application for exemption from audit for Salt Creek Sanitation District for the fiscal year ended December 31, 2017, has been personally reviewed and is hereby approved by a majority of the Board of Directors of the Salt Creek 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 Salt Creek Sanitation District for the fiscal year ended, December 31, 2017.

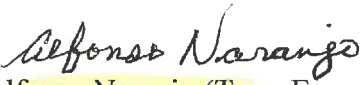
Adopted this **28th** day of **February**, 2019.

Jovita M. Chavez (Term Exp: May 5, 2020)

  
Manuel Espinoza (Term Exp: May 5, 2020)

  
Edward Gutierrez (Term Exp: May 3, 2022)

  
Ted T. Lopez (Term Exp: May 5, 2020)

  
Alfonso Naranjo (Term Exp: May 3, 2022)

**SALT CREEK SANITATION DISTRICT**

<b>2016</b>	<b>2017</b>	<b>2018</b>	
<b>ACTUAL</b>	<b>PROPOSED</b>	<b>PROPOSED</b>	
117,800	171,997	117,800	BEGINNING GEN RESERVE FUND
90,000	90,000	90,000	BEGINNING RESTRICTED FUND
<hr/>			ESTIMATED RECEIPTS
29,993	27,000	27,000	SEWER SERVICE CHARGES
			SEWER TP FEES
857	1,200	1,200	INTEREST
			SHUT-OFF VALVE SALES
1,454	1,500	1,500	RECOVERY OF CERTIFICATION FEES/PENALTIES
			OTHER
46,100	48,800	46,100	ESTIMATED DRAW ON RESERVE
78,404	78,500	75,800	TOTAL
			44524.32
			ESTIMATED EXPENSES
4,043	6,500	6,000 ✓	ADMINISTRATION
17,902	25,000	25,000 ✓	SEWER CLEANING & MAINTAINENCE
4,164	10,000	9,000 ✓	SEWER LIFT STATION
1,436	5,000	4,800 ✓	INSURANCE & BONDS
2,730	6,000	6,000 ✓	PROFESSIONAL & TECHNICAL SERVICES
3,809	6,000	6,000 ✓	UTILITIES/ELECTRIC POWER
0	20,000	19,000 ✓	CONTINGENCY
34,084	78,500	75,800 ✓	TOTAL
44,320	71,780	71,780	ENDING BALANCE GEN RESERVE FUND
90,000	90,000	90,000	ENDING BALANCE RESTRICTED FUND