

**APPLICATION FOR EXEMPTION FROM AUDIT
LONG FORM**

NAME OF GOVERNMENT
ADDRESS

RAINBOW VALLEY WATER DISTRICT
PO BOX 388
DIVIDE, CO 80814
RICK RITCHIE
903.647.9886
RAINBOWVALLEYWATERDISTRICT@YAHOO.COM

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

CONTACT PERSON
PHONE
EMAIL
FAX

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 ENTITY

STEPHEN D. HART
CPA
STEPHEN D. HART, CPA, LLC
PO BOX 6856, WOODLAND PARK, CO 80866
719.687.8032
03/11/19
INDEPENDENT

PREPARER (SIGNATURE REQUIRED)



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:
<input type="checkbox"/>	<input type="checkbox"/>	

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
		Fund*	Fund*		Fund*	Fund*	
Assets				Assets			
1-1	Cash & Cash Equivalents	\$ -	\$ -	Cash & Cash Equivalents	\$ 102,988	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ -	\$ -	Receivables	\$ 11,512	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets [specify...]			Other Current Assets	\$ 43,262	\$ -	
1-5		\$ -	\$ -				
1-6		\$ -	\$ -				
1-7		\$ -	\$ -				
1-8		\$ -	\$ -				
1-9		\$ -	\$ -				
1-10		\$ -	\$ -				
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 157,762	\$ -	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 170,006	\$ -	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 327,768	\$ -	
Liabilities				Liabilities			
1-14	Accounts Payable	\$ -	\$ -	Accounts Payable	\$ -	\$ -	
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ 786	\$ -	
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -	
1-17	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -	
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ 43,262	\$ -	
1-19	TOTAL CURRENT LIABILITIES	\$ -	\$ -	TOTAL CURRENT LIABILITIES	\$ 44,048	\$ -	
1-20	All Other Liabilities [specify...]	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -	
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) TOTAL LIABILITIES	\$ -	\$ -	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ 44,048	\$ -	
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	
Fund Balance				Net Position			
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ 2,000	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -				
1-32	Restricted [specify...]	\$ -	\$ -	Emergency Reserves	\$ 14,206	\$ -	
1-33	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ -	\$ -	Undesignated/Unreserved/Unrestricted	\$ 267,514	\$ -	
1-36	Add lines 1-30 through 1-35 This total should be the same as line 1-13 TOTAL FUND BALANCE	\$ -	\$ -	Add lines 1-30 through 1-35 This total should be the same as line 1-13 TOTAL NET POSITION	\$ 283,720	\$ -	
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	\$ 327,768	\$ -	

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
		Fund*	Fund*		Fund*	Fund*	
Tax Revenue				Tax Revenue			
2-1	Property (include mills levied in Question 10-6)	\$ -	\$ -	Property (include mills levied in Question 10-6)	\$ 43,187	\$ -	
2-2	Specific Ownership	\$ -	\$ -	Specific Ownership	\$ 5,240	\$ -	
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -	
2-4	Other Tax Revenue [specify...]:	\$ -	\$ -	Other Tax Revenue [specify...]:	\$ -	\$ -	
2-5		\$ -	\$ -		\$ -	\$ -	
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	\$ 48,427	\$ -	
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	\$ 119,053	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ -	\$ -	Interest/Investment Income	\$ 29	\$ -	
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		\$ -	\$ -		\$ -	\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ -	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 167,509	\$ -	
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	\$ 167,509	\$ -	167,509

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		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		Fund*	Fund*		Fund*	Fund*	
Expenditures				Expenditures			
3-1	General Government	\$ -	\$ -	General Operating & Administrative	\$ 13,729	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ 27,538	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ 2,355	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ 38,537	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ 7,775	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ 24,129	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ 38,223	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ -	\$ -	
3-10	Transfers to other districts	\$ -	\$ -	Utilities	\$ 10,161	\$ -	
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	\$ -	\$ -	
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	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ -	\$ -	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 162,447	\$ -	GRAND TOTAL
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	\$ 14,262	\$ -	
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)	\$ -	\$ -	
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	\$ (14,262)	\$ -	
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	\$ (9,200)	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	Net Position, January 1 from December 31 prior year report	\$ -	\$ -	
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.	\$ (9,200)	\$ -	

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? YES NO
- 4-2 Is the debt repayment schedule attached? If no, MUST explain: YES NO
- 4-3 Is the entity current in its debt service payments? If no, MUST explain: YES NO

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	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*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? YES NO
 How much? \$ -
 If yes: 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? \$ -
- 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? YES NO
 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	\$ 102,988	
5-2 Certificates of deposit	\$ -	
TOTAL CASH DEPOSITS	\$ 102,988	

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

5-3	\$ -	
	\$ -	
	\$ -	
	\$ -	
TOTAL INVESTMENTS	\$ -	
TOTAL CASH AND INVESTMENTS	\$ 102,988	

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.? YES NO N/A
- 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: YES NO N/A

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

6-3 Complete the following Capital Assets table for GOVERNMENTAL FUNDS:	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ 7,023	\$ -	\$ -	\$ 7,023
Buildings	\$ 156,682	\$ -	\$ -	\$ 156,682
Machinery and equipment	\$ 235,078	\$ -	\$ -	\$ 235,078
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 249,151	\$ -	\$ -	\$ 249,151
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ 100,911	\$ -	\$ -	\$ 100,911
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (564,577)	\$ -	\$ 14,262	\$ (578,839)
TOTAL	\$ 184,268	\$ -	\$ 14,262	\$ 170,006

6-4 Complete the following Capital Assets table for PROPRIETARY 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	\$ -	\$ -	\$ -	\$ -

*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, 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:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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 budgeted for each fund for the year reported

Fund Name	Budgeted Expenditures
General fund	\$ 206,700
	\$ -
	\$ -
	\$ -

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	<input 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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes: Date of formation: <input type="text"/>				
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If Yes: NEW name <input type="text"/> PRIOR name <input type="text"/>				
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 type="text"/>			
10-5	Does the entity have an agreement with another government to provide services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes: List the name of the other governmental entity and the services provided: <input type="text"/>				
10-6	Does the entity have a certified mill levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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	9.880
Total mills	9.880

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	\$ 102,988	Unrestricted Fund Balan	\$ -	Total Tax Revenue	\$ -	-
Current Liabilities	\$ 44,048	Total Fund Balance	\$ -	Revenue Paying Debt Service	\$ -	-
Deferred Inflow	\$ -	PY Fund Balance	\$ -	Total Revenue	\$ -	-
		Total Revenue	\$ -	Total Debt Service Principal	\$ -	-
		Total Expenditures	\$ -	Total Debt Service Interest	\$ -	-
		Interfund In	\$ -			
Governmental		Interfund Out	\$ -	Enterprise Funds		
Total Cash & Investments	\$ -	Proprietary		Net Position	\$ (9,200)	-
Transfers In	\$ -	- Current Assets	\$ 157,762	PY Net Position	\$ -	-
Transfers Out	\$ -	- Deferred Outflow	\$ -	Government-Wide		
Property Tax	\$ -	- Current Liabilities	\$ 44,048	Total Outstanding Debt	\$ -	-
Debt Service Principal	\$ -	- Deferred Inflow	\$ -	Authorized but Unissued	\$ -	-
Total Expenditures	\$ -	- Cash & Investments	\$ 102,988	Year Authorized	\$ -	-
Total Developer Advances	\$ -	- Principal Expense	\$ -			
Total Developer Repayments	\$ -					

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.
1	Rick Ritchie	I, <u>RICK RITCHIE</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>[Signature]</u> Date: <u>3/24/19</u> My term Expires: <u>MAY 2022</u>
2	Helen Freed	I, <u>Helen Freed</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>[Signature]</u> Date: <u>3-22-19</u> My term Expires: <u>MAY 2019</u>
3	Brian Etherton	I, <u>Brian Etherton</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>[Signature]</u> Date: <u>3-21-19</u> My term Expires: <u>MAY 2019</u>
4	Dominick Luppino	I, <u>DOMINICK LUPPINO</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>[Signature]</u> Date: <u>3-21-19</u> My term Expires: <u>MAY 2019</u>
5	Mary Henkels	I, <u>Mary Henkels</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>[Signature]</u> Date: <u>3-22-19</u> My term Expires: <u>MAY 2022</u>
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: _____
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: _____

**A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR
FISCAL YEAR 2018 FOR THE RAINBOW VALLEY WATER DISTRICT**

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

WHEREAS, the Rainbow Valley Water District ("District") is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Colorado Revised Statutes; and

WHEREAS, the Board of Directors ("Board") of the District 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 \$750,000 may, with the approval of the State Auditor, be exempt from the provisions of Section 29-1-603, C.R.S.; and

WHEREAS, neither revenues nor expenditures for the District exceed \$750,000 for fiscal year 2018; and

WHEREAS, an Application for Exemption from Audit for the District has been prepared by an independent accountant with knowledge of governmental accounting; and

WHEREAS, such 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 Rainbow Valley Water District that the Application for Exemption from Audit for the Rainbow Valley Water District for fiscal year 2018 has been personally reviewed and is hereby approved by a majority of the Board of Directors of the Rainbow Valley Water District; and that this Resolution shall be attached to and shall become a part of the Application for Exemption from Audit for the Rainbow Valley Water District for fiscal year ended December 31, 2018.

ADOPTED this 22 day of March, 2019.

RAINBOW VALLEY WATER DISTRICT

By 
Officer

ATTEST:


Director

Rainbow Valley Water District
Balance Sheet
As of December 31, 2018 and 2017

	Dec 31, 18	Dec 31, 17
ASSETS		
Current Assets		
Checking/Savings		
100 · Bank of Colorado Checking	55,655	51,212
105 · BOC Savings	46,775	46,751
Total Checking/Savings	102,430	97,963
Accounts Receivable		
1200 · Accounts Receivable	11,512	10,871
Total Accounts Receivable	11,512	10,871
Other Current Assets		
1210 · Current Taxes Receivable	43,262	38,579
1499 · Undeposited Funds	558	0
Total Other Current Assets	43,820	38,579
Total Current Assets	157,762	147,413
Fixed Assets		
150 · Land	7,023	7,023
1500 · Transportation & Other Equipmen	132,245	132,245
151 · Building	31,515	31,515
1510 · International Truck 2005	95,514	95,514
155 · Water Rights	100,911	100,911
156 · Source of Supply	249,151	249,151
160 · Pump Station	19,404	19,404
161 · Garage	105,763	105,763
170 · Air Compressor	799	799
172 · Pump	4,476	4,476
173 · Pressure Washer	1,044	1,044
174 · Remote Terminal Unit	1,000	1,000
179 · Accumulated Depreciation	(578,838)	(564,576)
Total Fixed Assets	170,006	184,268
TOTAL ASSETS	327,768	331,681
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
2007 · Deferred Revenue	43,262	38,579
9951 · Payroll Liabilities		
9951D · State W/H Payable	55	55
9951 · Payroll Liabilities - Other	731	126
Total 9951 · Payroll Liabilities	786	181
Total Other Current Liabilities	44,048	38,760
Total Current Liabilities	44,048	38,760
Total Liabilities	44,048	38,760
Equity		
3000 · Opening Bal Equity	2,000	2,000
3001 · Retained Earnings Reserved	14,206	14,206
32000 · Retained Earnings	276,714	265,851
Net Income	(9,200)	10,864
Total Equity	283,721	292,920
TOTAL LIABILITIES & EQUITY	327,768	331,681

Rainbow Valley Water District
Profit & Loss
For the year ended December 31, 2018

	Jan - Dec 18
Ordinary Income/Expense	
Income	
700 · Water Sales	
700A · Water	97,072
700B · Monthly Fee	15,860
700C · Setup Fee	2,600
700D · Late Fees	1,800
700E · Off Day Delivery Charge	950
700G · NSF Check Fee	618
700 · Water Sales - Other	154
Total 700 · Water Sales	119,054
705 · Interest Income	29
750 · Teller County General	43,187
751 · Teller Co Specific Ownership	5,240
Total Income	167,510
Gross Profit	167,510
Expense	
752 · Teller Co Treasurer Fees	1,270
801 · Accounting Services	16,918
805 · Automotive Expense	
805A · Fuel	
805A1 · Delivery Trucks	3,107
805A2 · Employee Reimbursement	402
805A · Fuel - Other	130
Total 805A · Fuel	3,639
805B · Mileage	
805B1 · Directors Mileage Reimbursement	1,735
Total 805B · Mileage	1,735
805C · Repairs and Maintenance	
805C1 · GMC Delivery Truck (OLD)	236
805C2 · INTL Delivery Truck (NEW)	2,538
Total 805C · Repairs and Maintenance	2,774
Total 805 · Automotive Expense	8,149
810 · Bank Charges	393
812 · Contract Labor	38,537
815 · Directors Fees	1,950
818 · Depreciation	14,262
820 · Donation & Gifts	1,241
821 · Dues & Publications	578
825 · Insurance Expenses	
825A · General Liability & Auto	6,570
825B · Workers Compensation	1,205
Total 825 · Insurance Expenses	7,775
830 · Licenses and Fees	222
833 · Legal Fees	7,211
835 · Office Expense	
835A · Office Expenses	2,442
835B · Meeting Room Rental	180
Total 835 · Office Expense	2,622
840 · Professional Fees	79

Rainbow Valley Water District
Profit & Loss
For the year ended December 31, 2018

	Jan - Dec 18
845 · Repairs/Maintenance/Testing	
845A · Buildings	
845A2 · Main Garage on Hwy 67	(113)
845A4 · Water Plant	9,197
845A5 · Water Storage Bldg	152
845A · Buildings - Other	90
Total 845A · Buildings	9,326
845B · Ponds	10,305
845C · Supplies	216
845D · Tools/Maintenance Equipment	8
845E · Treatment Equipment	
845E1 · Filters and Equipment	1,910
845E2 · Monitoring Equipment	
845E2a · Computer	73
Total 845E2 · Monitoring Equipment	73
845E3 · Water Testing	4,027
845E4 · Water Testing Equipment	274
845E5 · Water Treatment Supplies	8,591
Total 845E · Treatment Equipment	14,875
845 · Repairs/Maintenance/Testing - Other	719
Total 845 · Repairs/Maintenance/Testing	35,449
850 · Salaries	27,538
885 · Utilities-Operating	
885A · Electric	
885A1 · 111 Sportsman Ln	1,424
885A2 · 18602 St. Hwy 67	275
885A3 · 226 Sportsman Ln	751
885A4 · 2nd Lake Pump House	1,451
885A5 · Garage on Pikes Peak	252
Total 885A · Electric	4,154
885B · Gas	
885B1 · 226 Sportsman Ln	2,160
885B2 · B(67)-226 Sportsman Ln	768
885B3 · 111 Sportsman Ln	1,077
885B4 · Pumphouse-111 Sportsman Ln	304
Total 885B · Gas	4,308
885C · Internet	
885C2 · Water Plant	330
Total 885C · Internet	330
885D · Telephone	1,044
885E · Trash Disposal	324
Total 885 · Utilities-Operating	10,161
9955 · Payroll Expenses	2,355
Total Expense	176,709
Net Ordinary Income	(9,200)
Net Income	(9,200)