

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

GRAND MESA WATER CONSERVANCY DIST.
P.O. BOX 139
CEDAREGEE, COLORADO 81413
MILAN ARMSTRONG
(970) 234-7683
milan.armstrong@gmail.com

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

CONTACT PERSON
PHONE
EMAIL
FAX

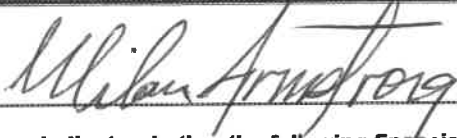
PART 1 - CERTIFICATION OF PREPARER

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:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
(Must be prepared prior to Board)

MILAN ARMSTRONG
SECRETARY / TREASURER

PREPARER (SIGNATURE REQUIRED)



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

GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
<input type="checkbox"/>	<input checked="" type="checkbox"/>

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RECEIVED
March 19, 2019
Office of the State Auditor

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.

		Amount	Please use this space to provide any necessary explanations
2-1 Taxes: Property (report mills levied in Question 10-6)		\$ 50,418	Please use this space to provide any necessary explanations
2-2 Specific ownership		\$ 8,268	
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		\$	
2-11 Fines and forfeits		\$	
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 (should agree with line 4-4)		\$	
2-18 Proceeds from sale of capital assets		\$	
2-19 Fire and police pension		\$	
2-20 Donations		\$	
2-21 Other (specify):		\$	
2-22		\$	
2-23		\$	
2-24 (add lines 2-1 through 2-23) TOTAL REVENUE		\$ 58,686	

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.

		Amount	Please use this space to provide any necessary explanations
3-1 Administrative + DIRECTOR FEES		\$ 4,354	Please use this space to provide any necessary explanations
3-2 Salaries		\$ 3,000	
3-3 Payroll taxes		\$	
3-4 Contract services WATER ADMINISTRATION		\$ 1,844	
3-5 Employee benefits		\$	
3-6 Insurance		\$ 1,101	
3-7 Accounting and legal fees		\$	
3-8 Repair and maintenance		\$	
3-9 Supplies		\$	
3-10 Utilities and telephone		\$ 1,726	
3-11 Fire/Police		\$	
3-12 Streets and highways		\$	
3-13 Public health		\$	
3-14 Culture and recreation		\$	
3-15 Utility operations		\$ 74,419	
3-16 Capital outlay		\$	
3-17 Debt service principal (should agree with Part 4)		\$	
3-18 Debt service interest		\$	
3-19 Repayment of Developer Advance Principal (should agree with line 4-4)		\$	
3-20 Repayment of Developer Advance Interest		\$	
3-21 Contribution to pension plan (should agree to line 7-2)		\$	
3-22 Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)		\$	
3-23 Other (specify): RENT		\$ 3,600	
3-24 WEATHER PROJECTS/GRANT		\$ 5,000	
3-25 DELTA COUNTY FEES		\$ 1,009	
3-26 (add lines 3-1 through 3-24) TOTAL EXPENDITURES		\$ 96,053	

Please use the "Application for Exemption from Audit - LONG FORM" 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? **COLORADO CONSERVATION BOARD** 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: Yes No
PROJECT NOT FINISHED, FUNDS NOT YET DRAWN, PAYMENT SCHEDULE NOT YET FORMALIZED
- 4-3 Is the entity current in its debt service payments? If no, MUST explain: Yes No
N/A

4-4 Please complete the following debt schedule, if applicable. (please only include principal amounts; enter all amounts 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? **\$-225,000**
 Date the debt was authorized: **VOTER APPROVAL 11/4/2013**
- 4-6 Does the entity intend to issue debt within the next calendar year? Yes No
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for? Yes No
- 4-8 Does the entity have any lease agreements? Yes No
 If yes: What is being leased? **N/A**
 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? **\$-**

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	100,067 \$	*
5-2 Certificates of deposit	\$	\$
Total Cash Deposits		100,067 \$ *
Investments (if investment is a mutual fund, please list underlying investments)	\$	\$
5-3	\$	\$
	\$	\$
Total Investments		\$
Total Cash and Investments		100,067 \$

*** SEE ATTACHMENT**

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
- 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

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.

Yes No

6-1 Does the entity have capital 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:

	Balance - beginning of the year	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$-	\$-	\$-	\$-
Buildings	\$-	\$-	\$-	\$-
Machinery and equipment	\$-	\$-	\$-	\$-
Furniture and fixtures	\$-	\$-	\$-	\$-
Infrastructure	\$-	\$-	\$-	\$-
Construction In Progress (CIP)	\$-	\$-	\$-	\$-
Other (explain): RESERVOIR	341,294	74,419	\$-	415,713
Accumulated Depreciation	\$-	\$-	\$-	\$-
(Please enter a negative or credit balance)	\$-	\$-	\$-	\$-
TOTAL	\$-	\$-	\$-	\$-

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?

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 12?

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.?

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:

SEE ATTACHED BUDGET 2019	

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

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

9-1

Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20A(1)(1)?

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.

Yes No

(If "No," 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? Yes No

If yes: Date of formation:

10-2 Has the entity changed its name in the past or current year? Yes No

If yes: Please list the NEW name & PRIOR name:

10-3 Is the entity a metropolitan district? Yes No

Please indicate what services the entity provides:

10-4 Does the entity have an agreement with another government to provide services? Yes No

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 Yes No

If yes: Date Filed:

10-6 Does the entity have a certified Mill Levy? Yes No

If yes: Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills	-
General/Other mills	- .739
Total mills	- .739

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?

N/A

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:


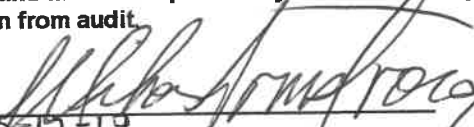
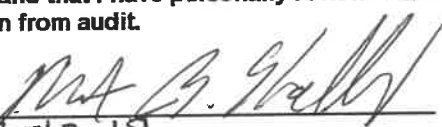

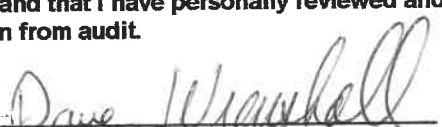
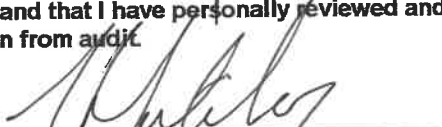
- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be 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.

Board Member	Print Board Member's Name	I <u>AUSTIN KEISER</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 <u></u> Date: <u>03-12-19</u>
1	AUSTIN KEISER PRESIDENT	
2	MILAN ARMSTRONG SECRETARY/TREASURER	I <u>MILAN ARMSTRONG</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 <u></u> Date: <u>03-12-19</u>
3	ROBERT HALLEY VICE PRESIDENT	I <u>ROBERT HALLEY</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 <u></u> Date: <u>03-12-19</u>
4	CURT SMELSER BOARDMEMBER	I <u>CURT SMELSER</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 <u></u> Date: <u>03-12-19</u>
5	DAVE WRENSHALL BOARDMEMBER	I <u>DAVE WRENSHALL</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 <u></u> Date: <u>03-12-19</u>
6	KEN BESEL BOARDMEMBER	I <u>KEN BESEL</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>03-12-19</u>
7	BERT SIBLEY BOARDMEMBER	I <u>BERT SIBLEY</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 <u></u> Date: <u>03-12-19</u>

**Grand Mesa Water Conservancy District
P. O. Box 129 Cedaredge, CO. 81413**

RESOLUTION FOR EXEMPTION FROM AUDIT

A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR THE FISCAL YEAR 2018 FOR THE GRAND MESA WATER CONSERVANCY DISTRICT, (GMWCD) STATE OF COLORADO.

WHEREAS, the Boardmembers of the GMWCD wish 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 the GMWCD exceeded \$100,000 for the fiscal year 2018; and

WHEREAS, an application for exemption from audit for GMWCD has been prepared by Milan Armstrong, Secretary, 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 Boardmembers of the GMWCD that the application for exemption from audit for GMWCD for the Fiscal Year ended December 31st, 2018, has been personally reviewed and is hereby approved by a majority of the Boardmembers of the GMWCD; that those members of the GMWCD have signified their approval by signing below; and that this resolution shall be attached to, and shall become part of the application for exemption from audit of the GMWCD for the fiscal year ended December 31st, 2018.

ADOPTED THIS 12TH DAY OF FEBRUARY, A.D. 2018.

2019







GMWCD Resolution for Exemption from Audit



President Austin Keiser



Secretary Milan Armstrong

Board members of GMWCD	Term Expiration	Signature
Austin Keiser	03-31-2019	
Milan Armstrong	03-31-2022	
Robert Halley	03-31-2020	
Curt Smelser	03-31-2020	
Dave Wrenshall	03-31-2019	
Ken Besel	03-31-2022	_____
Bert Sibley	03-31-2022	

GRAND MESA WATER CONSERVANCY DISTRICT PROPOSED
BUDGET 2019

Beginning Balance	\$18,139.00	\$30,252.00		\$70,985.00	\$94,731.00		\$116,422.00		\$143,034.00	\$100,067.00
Revenues										
Property Tax	\$53,610.00	\$68,417.00		\$52,390	\$52,759	\$52,000(Est)	\$51,250.00	\$51,000 (est)	\$50,418.00	
SO Tax	\$7,584.00	\$7,863.00		\$7,310	\$7,306	\$8,000(est)	\$9,436.00	\$9,000 (est)	\$8,268.00	
Interest / Misc.	\$0.00	\$0.00								
TOTAL	\$61,194.00	\$76,280.00		\$59,700	\$60,065	\$60,000(est)	\$60,686.00	\$60,000 (est)	\$58,686.00	\$9000(est)
Available Revenue										
Expenses:										
Director Expense	\$286.00	\$996	\$1,000	\$118	\$0.00	\$1,000.00	\$66.00	\$1,000.00	\$193.00	1000
Postage	\$146.00	\$112	\$200	\$110	\$110.00	\$200.00	\$194.00	\$200.00	\$157.00	200
Publicity - Legal	\$3,240.00	\$82	\$100	\$322	\$178.00	\$800.00	\$25.00	\$800.00	\$98.00	100
Office Expense	\$326.00	\$2,979	\$250	\$2,860	\$2,000.00	\$3,000.00	\$2,125.00	\$3,000.00	\$1,726.00	2500
Audit	\$0.00	\$0	\$500	\$0	\$0.00	\$500.00	\$0.00	\$500.00	0	0
Dues & Subscriptions	\$0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	0	0
Bonds	\$200.00	\$450	\$500	\$550	\$500.00	\$600.00	\$200.00	\$600.00	\$1,101.00	600
Secretary & Treasurer	\$2,500.00	\$2,489	\$2,500	\$2,500	\$2,500.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	3000
Weather Project	\$6,500.00	\$2,500	\$5,000	\$5,000	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	5000
Capital Expenditure	\$28,700.00	\$16,547	\$29,350	\$16,842	\$19,859.00	\$50,000.00	\$12,417.00	\$50,000.00	\$74,419.00	50000
Promotion/Education	\$761.00	\$164	\$1,000	\$254	\$156.00	\$1,000.00	\$0.00	\$1,000.00	0	1000
Legal Fees		\$1,088	\$5,000	\$900	\$1,066.00	\$1,200.00	\$437.00	\$2,000.00	0	1000
Director Fees	\$3,550.00	\$3,450	\$4,200	\$2,750	\$3,250.00	\$4,200.00	\$3,550.00	\$4,200.00	\$3,750.00	4200
Rent	\$2,100.00	\$3,750	\$1,200	\$2,700	\$2,700.00	\$2,700.00	\$3,000.00	\$3,600.00	\$3,600.00	3600
Delta Cnty Treasurer	\$772.00	\$1,030	\$1,200	\$1,048	\$1,055.00	\$1,200.00	\$1,060.00	\$1,200.00	\$1,009.00	1200
Historical Society Grant										
Augmentation Plan									\$2,000.00	8000
TOTAL	\$49,081.00	\$35,547	\$52,000	\$35,954	\$38,374.00	\$74,400.00	\$34,074.00	\$76,100.00	\$96,053.00	81400

Grand Mesa Water Conservancy District
PO Box 129 Cedaredge, CO. 81413

March 12, 2019

Dear Sirs,

The GMWCD has formulated a longterm plan for the rehabilitation of Blanche Park Reservoir located on the Grand Mesa near Cedaredge, CO. The USFS delayed this project for several years resulting in the accrual of additional funds in our account. The budget indicates that the \$50,000 in capital funds we planned to spend on this project in 2017 was postponed, resulting in a carry-over into the 2018 budget. Then in 2018, we doubled the amount spent on the reservoir (capital expense) making up for the years no work was allowed. If you have questions or concerns, please contact me at 970-234-7683.


Sincerely, Milan Armstrong, Secretary