

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT
ADDRESS

Navajo Western Water District
705 Navajo Road
Walsenburg, Co 81089

For the Year Ended
12/31/19
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

Thomas Ortiz
719-846-9663
tortiz_81082@yahoo.com
719-846-9663

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

Thomas Ortiz
Accountant
Ortiz Tax Service
15801 HWY 239 Trinidad, Co 81082
719-846-9663
26-Mar-20
Independent form Entity

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

If Yes, date filed:

P

RECEIVED

Office of the State Auditor

April 14, 2020

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*		Enterprise fund	Fund*	
Assets				Assets			
1-1	Cash & Cash Equivalents	\$ -	\$ -	Cash & Cash Equivalents	\$ 216,532	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ -	\$ -	Receivables	\$ 25,643	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets [specify...]	\$ -	\$ -	Other Current Assets	\$ -	\$ -	
1-5		\$ -	\$ -				
1-6		\$ -	\$ -				
1-7		\$ -	\$ -	Capital Assets, net (from Part 6-4)	\$ 1,375,520	\$ -	
1-8		\$ -	\$ -	Other Long Term Assets [specify...]	\$ -	\$ -	
1-9		\$ -	\$ -	meter deposit	\$ 220	\$ -	
1-10		\$ -	\$ -	Parts Inventory	\$ 9,252	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 1,627,167	\$ -	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 1,627,167	\$ -	
Liabilities				Liabilities			
1-14	Accounts Payable	\$ -	\$ -	Accounts Payable	\$ 5,396	\$ -	
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ 5,161	\$ -	
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	\$ -	\$ -	
1-19	TOTAL CURRENT LIABILITIES	\$ -	\$ -	TOTAL CURRENT LIABILITIES	\$ 10,557	\$ -	
1-20	All Other Liabilities [specify...]	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ 791,475	\$ -	
1-21		\$ -	\$ -	Other Liabilities [specify...]:	\$ -	\$ -	
1-22		\$ -	\$ -	Renters Deposits	\$ 2,649	\$ -	
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	\$ 804,681	\$ -	
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	\$ 752,586	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -				
1-32	Restricted [specify...]	\$ -	\$ -	Emergency Reserves	\$ -	\$ -	
1-33	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ -	\$ -	Undesignated/Unreserved/Unrestricted	\$ 69,900	\$ -	
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	\$ 822,486	\$ -	
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	\$ 1,627,167	\$ -	

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*		Enterprise fund	Fund*	
Tax Revenue				Tax Revenue			
2-1	Property [include mills levied in Question 10-6]	\$ -	\$ -	Property [include mills levied in Question 10-6]	\$ 38,785	\$ -	
2-2	Specific Ownership	\$ -	\$ -	Specific Ownership	\$ -	\$ -	
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -	
2-4	Other Tax Revenue [specify...]:	\$ -	\$ -	Other Tax Revenue [specify...]:	\$ -	\$ -	
2-5		\$ -	\$ -	Miscellaneous Income	\$ 4,877	\$ -	
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	\$ 43,662	\$ -	
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	\$ 4,329	\$ -	
2-15	Donations	\$ -	\$ -	Donations	\$ -	\$ -	
2-16	Charges for Sales and Services	\$ -	\$ -	Charges for Sales and Services	\$ 157,956	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ 4,137	\$ -	
2-19	Interest/Investment Income	\$ -	\$ -	Interest/Investment Income	\$ 223	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ 27,229	\$ -	
2-21	Proceeds from Sale of Capital Assets	\$ -	\$ -	Proceeds from Sale of Capital Assets	\$ -	\$ -	
2-22	All Other [specify...]:	\$ -	\$ -	Loan service fees	\$ 17,445	\$ -	
2-23		\$ -	\$ -	Water Lease Revenue	\$ 12,400	\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ -	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 267,381	\$ -	
Other Financing Sources				Other Financing Sources			
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -	
2-26	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -	
2-27	Other [specify...]:	\$ -	\$ -	Other [specify...]:	\$ -	\$ -	
2-28	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	GRAND TOTALS
2-29	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ -	\$ -	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 267,381	\$ -	\$ 267,381

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/EXPENSES

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		Fund*	Fund*		Enterprise fund	Fund*	
	Expenditures			Expenses			
3-1	General Government	\$ -	\$ -	General Operating & Administrative	\$ 15,330	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ 93,723	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ 6,100	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ 11,659	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ 350	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ 43,444	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ 10,420	\$ -	
3-10	Transfers to other districts	\$ -	\$ -	Utilities	\$ 21,155	\$ -	
3-11	Other [specify...]:	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Lease	\$ 980	\$ -	
3-13		\$ -	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal	\$ -	\$ -	Principal	\$ 42,548	\$ -	
3-16	Interest	\$ -	\$ -	Interest	\$ 1,395	\$ -	
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 EXPENSES	\$ 247,104	\$ -	GRAND TOTAL
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In) Out	\$ -	\$ -	\$ 247,104
3-24	Interfund Transfers Out	\$ -	\$ -	Other [specify...][enter negative for expense]	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation	\$ 39,868	\$ -	
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, 2-[3])	\$ 42,548	\$ -	
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	\$ 2,680	\$ -	
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	\$ 22,957	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	Net Position, January 1 from December 31 prior year report	\$ 799,529	\$ -	
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 1-35.	\$ -	\$ -	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ 822,486	\$ -	

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	\$ 785,559	\$ -	\$ 33,428	\$ 752,131
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
NSH Bank	\$ 48,464	\$ -	\$ 9,120	\$ 39,344
TOTAL	\$ 834,023	\$ -	\$ 42,548	\$ 791,475

*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
- If yes: How much? \$ -
- 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	\$ 216,532		
5-2	Certificates of deposit	\$ -		
	TOTAL CASH DEPOSITS		\$ 216,532	
	Investments (if investment is a mutual fund, please list underlying investments):			
5-3		\$ -		
		\$ -		
		\$ -		
		\$ -		
	TOTAL INVESTMENTS		\$ -	
	TOTAL CASH AND INVESTMENTS		\$ 216,532	

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	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

6-4 Complete the following Capital Assets table for PROPRIETARY FUNDS:

	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ 25,900	\$ -	\$ -	\$ 25,900
Buildings	\$ 94,885	\$ -	\$ -	\$ 94,885
Machinery and equipment	\$ 117,523	\$ -	\$ -	\$ 117,523
Furniture and fixtures	\$ 13,409	\$ -	\$ -	\$ 13,409
Infrastructure	\$ 1,906,068	\$ -	\$ -	\$ 1,906,068
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Water Rights	\$ 322,500	\$ -	\$ -	\$ 322,500
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (1,064,897)	\$ (39,868)	\$ -	\$ (1,104,765)
TOTAL	\$ 1,415,388	\$ (39,868)	\$ -	\$ 1,375,520

*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
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"/>

Please use this space to provide any explanations or comments:

If yes: Please indicate the amount budgeted for each fund for the year reported

Fund Name	Budgeted Expenditures/Expenses
Enterprise fund	\$ 388,765
	\$ -
	\$ -
	\$ -

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)]? Note: An election to exempt the government from the spending limitations of TABOR does not exempt the	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Please use this space to provide any explanations or comments:

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? If yes: Date of formation: <input style="width: 150px; height: 30px;" type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
10-2	Has the entity changed its name in the past or current year? If Yes: NEW name <input style="width: 300px; height: 20px;" type="text"/> PRIOR name <input style="width: 300px; height: 20px;" type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
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 style="width: 400px; height: 20px;" type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
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: <input style="width: 400px; height: 20px;" type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
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):	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Bond Redemption mills</td> <td style="width: 30%; text-align: right;">0.000</td> </tr> <tr> <td>General/Other mills</td> <td style="text-align: right;">8.436</td> </tr> <tr> <td>Total mills</td> <td style="text-align: right;">8.436</td> </tr> </table>	Bond Redemption mills	0.000	General/Other mills	8.436	Total mills	8.436		
Bond Redemption mills	0.000								
General/Other mills	8.436								
Total mills	8.436								

Please use this space to provide any explanations or comments:

Please use this space to provide any additional explanations or comments not previously included:

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 body. By signing, each individual member is certifying they are a duly elected or appointed officer of the local government. Governing members may be verified. Also by signing, the individual 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 members of the governing body below.

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

	Full Name	A MAJORITY of the members of the governing body must complete and sign in the column below.
1	Randy Willson	I, <u>Randy D. Willson</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>Randy Willson</u> Date: <u>04/04/2020</u> My term Expires: <u>May 2022</u>
2	Doris Fulkerson	I, <u>Doris Fulkerson</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>Doris Fulkerson</u> Date: <u>4/5/2020</u> My term Expires: <u>5/22/2022</u>
3	Gary Engelmohr	I, <u>Gary Engelmohr</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>Gary Engelmohr</u> Date: <u>04-05-2020</u> My term Expires: <u>2023</u>
4	Charlene Baldwin	I, <u>Charlene Baldwin</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>Charlene Baldwin</u> Date: <u>4-6-2020</u> My term Expires: <u>2023</u>
5	Howard Mulrain	I, <u>HOWARD E. MULRAIN</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>Howard E. Mulrain</u> Date: <u>04/06/2020</u> My term Expires: <u>2023</u>
6	Full 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: _____
7	Full 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: _____

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 2019 FOR THE NAVAJO WESTERN WATER DISTRICT, STATE OF COLORADO.

WHEREAS, the governing body of the Navajo Western Water 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 either 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, C.R.S.; and

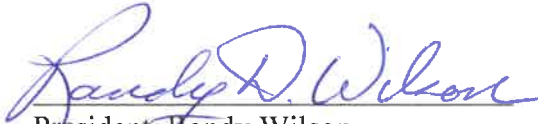
WHEREAS, neither revenues nor expenditures for the Navajo Western Water District exceeded \$750,000 for fiscal year 2019; and

WHEREAS, an application for exemption from audit for Navajo Western Water District has been prepared by Ortiz Tax Service, 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 Navajo Western Water District that the application for exemption from audit for Navajo Western Water District for the fiscal year ended December 31, 2019, has been reviewed and is hereby approved by a majority of the governing body of the Navajo Western Water District; 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 Navajo Western Water District for the fiscal year ended December 31, 2019

ADOPTED this 26rd day of March, A.D., 2020.


President, Randy Wilson


Secretary, Doris Fulkerson

Members of Governing Body

Term Expires

Signature

Randy Wilson

2022

Randy D. Wilson

Doris Fulkerson

2022

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Gary Engelmohr

2023

Gary Engelmohr

Howard Mulrain

2023

Howard E. Mulrain

Charlene Baldwin

2023

Charlene Baldwin

EXHIBIT A - LEASE TERMS

1. Lessee: Navajo Western Water District
2. Commencement Date: March 17, 2017
3. Final Expiration Date: December 1, 2023
4. Rental Payment Dates: Beginning June 1, 2017 and semi-annually thereafter until Final Expiration Date or prior redemption.
5. Applicable Yield Rate: 3.02%
6. Default Rate: Tax-Exempt Fixed Rate + 4.00% per annual until the Default is cured.
7. Financial Reporting Requirements:
 - a. Annually, Lessee shall deliver to Lessor copies of Lessee's audited financial statements and related audit report prepared by an independent public accounting firm acceptable to Lessor upon the first to occur of (i) two (2) weeks after the final audit is issued by the auditors or (ii) 270 Days after the end of Lessee's Fiscal year.
 - b. Annually, Lessee shall deliver to Lessor a copy of the Lessee's Annual Budget within sixty (60) days after the end of Lessee's Fiscal Year, which Annual Budget shall illustrate the Rental Payments due to the Lessor during the period covered by the Annual Budget.
8. Financial Covenants: N/A
9. Lessee's Fiscal/Budget Year: December 31
10. Rental Payment Schedule and Option Purchase Price:


Payment No.	Payment Date	Principal	Interest	Rental Payment	Balance	Option Purchase Price
1	June 1, 2017	4,845.24	412.74	5,257.98	61,642.91	61,642.91
2	December 1, 2017	4,327.17	930.81	5,257.98	57,315.74	57,315.73
3	June 1, 2018	4,392.51	865.47	5,257.98	52,923.23	52,923.22
4	December 1, 2018	4,458.84	799.14	5,257.98	48,464.39	48,464.38
5	June 1, 2019	4,526.17	731.81	5,257.98	43,938.22	43,938.22
6	December 1, 2019	4,594.51	663.47	5,257.98	39,343.71	39,343.70
7	June 1, 2020	4,663.89	594.09	5,257.98	34,679.82	34,679.81
8	December 1, 2020	4,734.31	523.67	5,257.98	29,945.51	29,945.50
9	June 1, 2021	4,805.80	452.18	5,257.98	25,139.71	25,139.69
10	December 1, 2021	4,878.37	379.61	5,257.98	20,261.34	20,261.32
11	June 1, 2022	4,952.03	305.95	5,257.98	15,309.31	15,309.29

12	December 1, 2022	5,026.81	231.17	5,257.98	10,282.50	10,282.48
13	June 1, 2023	5,102.71	155.27	5,257.98	5,179.79	5,179.77
14	December 1, 2023	5,179.79	78.19	5,257.98	0.00	0.00

TOTALS		66,488.15	7,123.57	73,611.72		
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LESSEE:

NAVAJO WESTERN WATER DISTRICT


 By: Randy Wilson
 Its: District President

LESSOR:

NBH BANK, a Colorado state-chartered bank

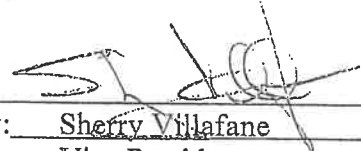

 By: Sherry Villafane
 Its: Vice President

EXHIBIT C
DRINKING WATER REVOLVING FUND
LOAN REPAYMENT SCHEDULE

NAVAJO WESTERN WATER DISTRICT, COLORADO, ACTING BY AND THROUGH ITS NAVAJO WESTERN WATER ENTERPRISE
Loan Number: #D12F292

On or before the first of each date, commencing on November 1, 2012 the
Governmental Agency shall pay the amount set forth below:

LOAN DATE:	6/3/12
LOAN AMOUNT:	\$1,101,939
INTEREST RATE:	0.000%
TERM (YEARS):	30

1st Amendment

PAYMENT DATES	PAYMENT	PRINCIPAL REDUCTION (1)	PRINCIPAL	REMAINING PRINCIPAL	CALCULATED INTEREST
11/1/2012	\$18,365.65		\$18,365.65	\$1,101,839.00	
5/1/2013	\$18,365.65		\$18,365.65	\$1,083,573.35	\$0.00
11/1/2013	\$18,365.65		\$18,365.65	\$1,065,207.70	\$0.00
5/1/2014	\$18,365.65		\$18,365.65	\$1,046,842.05	\$0.00
11/1/2014	\$18,365.65		\$18,365.65	\$1,028,476.40	\$0.00
1/7/2015		\$90,839.69	\$18,365.65	\$1,010,110.75	\$0.00
5/1/2015	\$16,714.02			\$919,271.06	
11/1/2015	\$16,714.02		\$16,714.02	\$902,557.04	\$0.00
5/1/2016	\$16,714.02		\$16,714.02	\$886,843.02	\$0.00
11/1/2016	\$16,714.02		\$16,714.02	\$869,129.00	\$0.00
5/1/2017	\$16,714.02		\$16,714.02	\$852,414.98	\$0.00
11/1/2017	\$16,714.02		\$16,714.02	\$836,700.96	\$0.00
5/1/2018	\$16,714.02		\$16,714.02	\$819,986.94	\$0.00
11/1/2018	\$16,714.02		\$16,714.02	\$802,272.92	\$0.00
5/1/2019	\$16,714.02		\$16,714.02	\$786,558.90	\$0.00
11/1/2019	\$16,714.02		\$16,714.02	\$769,844.88	\$0.00
5/1/2020	\$16,714.02		\$16,714.02	\$752,130.86	\$0.00
11/1/2020	\$16,714.02		\$16,714.02	\$735,416.84	\$0.00
5/1/2021	\$16,714.02		\$16,714.02	\$718,702.82	\$0.00
11/1/2021	\$16,714.02		\$16,714.02	\$701,988.80	\$0.00
5/1/2022	\$16,714.02		\$16,714.02	\$685,274.78	\$0.00
11/1/2022	\$16,714.02		\$16,714.02	\$668,560.76	\$0.00
5/1/2023	\$16,714.02		\$16,714.02	\$651,846.74	\$0.00
11/1/2023	\$16,714.02		\$16,714.02	\$635,132.72	\$0.00
5/1/2024	\$16,714.02		\$16,714.02	\$618,418.70	\$0.00
11/1/2024	\$16,714.02		\$16,714.02	\$601,704.68	\$0.00
5/1/2025	\$16,714.02		\$16,714.02	\$584,990.66	\$0.00
11/1/2025	\$16,714.02		\$16,714.02	\$568,276.64	\$0.00
5/1/2026	\$16,714.02		\$16,714.02	\$551,562.62	\$0.00
11/1/2026	\$16,714.02		\$16,714.02	\$534,848.60	\$0.00
5/1/2027	\$16,714.02		\$16,714.02	\$518,134.58	\$0.00
11/1/2027	\$16,714.02		\$16,714.02	\$501,420.56	\$0.00
5/1/2028	\$16,714.02		\$16,714.02	\$484,706.54	\$0.00
11/1/2028	\$16,714.02		\$16,714.02	\$467,992.52	\$0.00
5/1/2029	\$16,714.02		\$16,714.02	\$451,278.50	\$0.00
11/1/2029	\$16,714.02		\$16,714.02	\$434,564.48	\$0.00
5/1/2030	\$16,714.02		\$16,714.02	\$417,850.46	\$0.00
11/1/2030	\$16,714.02		\$16,714.02	\$401,136.44	\$0.00
5/1/2031	\$16,714.02		\$16,714.02	\$384,422.42	\$0.00
11/1/2031	\$16,714.02		\$16,714.02	\$367,708.40	\$0.00
5/1/2032	\$16,714.02		\$16,714.02	\$350,994.38	\$0.00
11/1/2032	\$16,714.02		\$16,714.02	\$334,280.36	\$0.00
5/1/2033	\$16,714.02		\$16,714.02	\$317,566.34	\$0.00
11/1/2033	\$16,714.02		\$16,714.02	\$300,852.32	\$0.00
5/1/2034	\$16,714.02		\$16,714.02	\$284,138.30	\$0.00
11/1/2034	\$16,714.02		\$16,714.02	\$267,424.28	\$0.00
5/1/2035	\$16,714.02		\$16,714.02	\$250,710.26	\$0.00
11/1/2035	\$16,714.02		\$16,714.02	\$234,000.24	\$0.00
5/1/2036	\$16,714.02		\$16,714.02	\$217,282.22	\$0.00
11/1/2036	\$16,714.02		\$16,714.02	\$200,568.20	\$0.00
5/1/2037	\$16,714.02		\$16,714.02	\$183,854.18	\$0.00
11/1/2037	\$16,714.02		\$16,714.02	\$167,140.16	\$0.00
5/1/2038	\$16,714.02		\$16,714.02	\$150,426.14	\$0.00
11/1/2038	\$16,714.02		\$16,714.02	\$133,712.12	\$0.00
5/1/2039	\$16,714.02		\$16,714.02	\$116,998.10	\$0.00
11/1/2039	\$16,714.02		\$16,714.02	\$100,284.08	\$0.00
5/1/2040	\$16,714.02		\$16,714.02	\$83,570.06	\$0.00
11/1/2040	\$16,714.02		\$16,714.02	\$66,856.04	\$0.00
5/1/2041	\$16,714.02		\$16,714.02	\$50,142.02	\$0.00
11/1/2041	\$16,714.02		\$16,714.02	\$33,428.00	\$0.00
5/1/2042	\$16,713.98		\$16,713.98	\$16,713.98	\$0.00
			\$16,713.98	\$0.00	\$0.00
Total	\$1,011,099.31	\$90,839.69	\$1,011,099.31		\$0.00

(1) Remaining project funds totalling \$90,839.69 applied as principal reduction.