

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT
ADDRESS

Town of Otis
102 South Washington
P.O. Box 95
Otis, Colorado 80743
Michael Brophy
970-246-3235
townofotis@gmail.com
970-246-3234

For the Year Ended
12/31/2019
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

Scott Szabo
Certified Public Accountant
Lauer, Szabo & Associates, P.C.
205 Main Street - P.O. Box 1886
970-522-2218
September 20, 2020
We are an independent firm of certified public accountants.

PREPARER (SIGNATURE REQUIRED)

See Independent Accountants' Compilation Report.

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

YES	NO	If Yes, date filed:
☐	☒	

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

		Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page	
Line #	Description	General Fund	Conservation Trust Fund	Description	Water Fund		Fund
Assets				Assets			
1-1	Cash & Cash Equivalents	\$ 34,225	\$ 14,825	Cash & Cash Equivalents	\$ 162,683	\$ -	
1-2	Investments	\$ 29,271	\$ -	Investments	\$ 70,424	\$ -	
1-3	Receivables	\$ 63,930	\$ -	Receivables	\$ 13,031	\$ -	
1-4	Due from Other Entities or Funds	\$ 1,137	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets [specify...]			Other Current Assets	\$ 10,642	\$ -	
1-5		\$ -	\$ -				
1-6		\$ -	\$ -	Total Current Assets	\$ 256,780	\$ -	
1-7		\$ -	\$ -	Capital Assets, net (from Part 6-4)	\$ 225,813	\$ -	
1-8		\$ -	\$ -	Other Long Term Assets [specify...]	\$ -	\$ -	
1-9		\$ -	\$ -		\$ -	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 128,563	\$ 14,825	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 482,593	\$ -	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 128,563	\$ 14,825	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 482,593	\$ -	
Liabilities				Liabilities			
1-14	Accounts Payable	\$ 23,448	\$ -	Accounts Payable	\$ 14,768	\$ -	
1-15	Accrued Payroll and Related Liabilities	\$ 5,511	\$ -	Accrued Payroll and Related Liabilities	\$ 1,106	\$ -	
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	\$ 28,134	\$ -	
1-19	TOTAL CURRENT LIABILITIES	\$ 28,959	\$ -	TOTAL CURRENT LIABILITIES	\$ 44,008	\$ -	
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	\$ 28,959	\$ -	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ 44,008	\$ -	
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 46,036	\$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	
Fund Balance				Net Position			
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ 225,813	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -				
1-32	Restricted [specify...] TABOR / Culture and Recreation	\$ 5,300	\$ 14,825	Emergency Reserves	\$ -	\$ -	
1-33	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ 48,268	\$ -	Undesignated/Unreserved/Unrestricted	\$ 212,772	\$ -	
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL FUND BALANCE	\$ 53,568	\$ 14,825	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL NET POSITION	\$ 438,585	\$ -	
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	\$ 128,563	\$ 14,825	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	\$ 482,593	\$ -	

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

		Governmental Funds				Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
Line #	Description	General Fund	Conservation Trust Fund	Description	Water Fund	Land Fund		
Tax Revenue				Tax Revenue				
2-1	Property [Include mills levied in Question 10-6]	\$ 43,620	\$ -	Property [Include mills levied in Question 10-6]	\$ -	\$ -		
2-2	Specific Ownership	\$ 6,235	\$ -	Specific Ownership	\$ -	\$ -		
2-3	Sales and Use Tax	\$ 59,398	\$ -	Sales and Use Tax	\$ -	\$ -		
2-4	Other Tax Revenue [specify...]: Other Taxes	\$ 7,074	\$ -	Other Tax Revenue [specify...]:	\$ -	\$ -		
2-5	Delinquent Taxes and Interest	\$ 345	\$ -		\$ -	\$ -		
2-6	Franchise Taxes	\$ 16,742	\$ -		\$ -	\$ -		
2-7		\$ -	\$ -		\$ -	\$ -		
2-8	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ 133,414	\$ -	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ -	\$ -		
2-9	Licenses and Permits	\$ 350	\$ -	Licenses and Permits	\$ -	\$ -		
2-10	Highway Users Tax Funds (HUTF)	\$ 26,825	\$ -	Highway Users Tax Funds (HUTF)	\$ -	\$ -		
2-11	Conservation Trust Funds (Lottery)	\$ -	\$ 5,579	Conservation Trust Funds (Lottery)	\$ -	\$ -		
2-12	Community Development Block Grant	\$ -	\$ -	Community Development Block Grant	\$ -	\$ -		
2-13	Fire & Police Pension	\$ 3,000	\$ -	Fire & Police Pension	\$ -	\$ -		
2-14	Grants	\$ -	\$ -	Grants	\$ -	\$ -		
2-15	Donations	\$ 461	\$ -	Donations	\$ -	\$ -		
2-16	Charges for Sales and Services	\$ -	\$ -	Charges for Sales and Services	\$ 101,527	\$ -		
2-17	Rental Income	\$ 185	\$ -	Rental Income	\$ -	\$ -		
2-18	Fines and Forfeits	\$ 2,160	\$ -	Fines and Forfeits	\$ -	\$ -		
2-19	Interest/Investment Income	\$ 386	\$ 8	Interest/Investment Income	\$ 421	\$ -		
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...]: Insurance Proceeds	\$ 39,015	\$ -	All Other [specify...]:	\$ -	\$ -		
2-23	Miscellaneous Revenues	\$ 8,558	\$ -	Reimbursements	\$ 18,918	\$ -		
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 214,354	\$ 5,587	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 120,866	\$ -		
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	\$ 214,354	\$ 5,587	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 120,866	\$ -		
							GRAND TOTALS	
							\$ 340,807	

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

		Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
Line #	Description	General Fund	Conservation Trust Fund	Description	Water Fund	
Expenditures				Expenses		
3-1	General Government	\$ 89,078	\$ -	General Operating & Administrative	\$ 5,045	\$ -
3-2	Judicial	\$ -	\$ -	Salaries	\$ 32,845	\$ -
3-3	Law Enforcement	\$ 22,917	\$ -	Payroll Taxes	\$ -	\$ -
3-4	Fire	\$ 19,455	\$ -	Contract Services	\$ -	\$ -
3-5	Highways & Streets	\$ 16,187	\$ -	Employee Benefits	\$ 7,876	\$ -
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ 2,152	\$ -
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ 7,040	\$ -
3-9	Culture and Recreation	\$ 14,585	\$ 4,000	Supplies	\$ 11,268	\$ -
3-10	Transfers to other districts	\$ -	\$ -	Utilities	\$ 18,706	\$ -
3-11	Other [specify...]:	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -
3-12		\$ -	\$ -	Other [specify...]	\$ -	\$ -
3-13		\$ -	\$ -		\$ -	\$ -
3-14	Capital Outlay	\$ 20,194	\$ -	Capital Outlay	\$ 2,125	\$ -
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	\$ 182,416	\$ 4,000	Add lines 3-1 through 3-21 TOTAL EXPENSES	\$ 87,057	\$ -
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	\$ 23,655	\$ -
3-26		\$ -	\$ -	Other Financing Sources (Uses) (from line 2-28)	\$ -	\$ -
3-27		\$ -	\$ -	Capital Outlay (from line 3-14)	\$ 2,125	\$ -
3-28		\$ -	\$ -	Debt Principal (from line 3-16, 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	\$ (21,530)	\$ -
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, plus line 3-29	\$ 31,938	\$ 1,587	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	\$ 12,279	\$ -
3-31	Fund Balance, January 1 from December 31 prior year report	\$ 21,630	\$ 13,238	Net Position, January 1 from December 31 prior year report	\$ 426,306	
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.	\$ 53,568	\$ 14,825	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ 438,585	\$ -
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.						

GRAND TOTAL
\$ 273,473

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

YES

NO

Please use this space to provide any explanations or comments:

- 4-1 Does the entity have outstanding debt?
4-2 Is the debt repayment schedule attached? If no, MUST explain:

☐

☒

The Town doesn't have any outstanding debt obligations. Therefore, there is no debt repayment schedule attached.

- 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)

General obligation bonds
Revenue bonds
Notes/Loans
Leases
Developer Advances
Other (specify):

Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
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?

☐

☒

If yes: How much?

\$ -

Date the debt was authorized:

- 4-6 Does the entity intend to issue debt within the next calendar year?

☐

☒

If yes: How much?

\$ -

- 4-7 Does the entity have debt that has been refinanced that it is still responsible for?

☐

☒

If yes: What is the amount outstanding?

\$ -

- 4-8 Does the entity have any lease agreements?

☐

☒

If yes: What is being leased?

What is the original date of the lease?

Number of years of lease?

Is the lease subject to annual appropriation?

What are the annual lease payments?

\$ -

PART 5 - CASH AND INVESTMENTS

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

AMOUNT

TOTAL

Please use this space to provide any explanations or comments:

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

\$ 211,483

- 5-2 Certificates of deposit

\$ 99,695

TOTAL CASH DEPOSITS

\$ 311,178

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

- 5-3

\$ -

\$ -

\$ -

\$ -

TOTAL INVESTMENTS

\$ -

TOTAL CASH AND INVESTMENTS

\$ 311,178

Please answer the following question by marking in the appropriate box

YES

NO

N/A

- 5-4 Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?

☐

☐

☒

- 5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, MUST explain:

☒

☐

☐

PART 6 - CAPITAL ASSETS

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:
6-1	Does the entity have capitalized assets?	☒	☐	
6-2	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, MUST explain:	☒	☐	

6-3	Complete the following Capital Assets table for GOVERNMENTAL FUNDS:	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
	Land	\$ 39,286	\$ -	\$ -	\$ 39,286
	Buildings	\$ 112,265	\$ 18,735	\$ -	\$ 131,000
	Machinery and equipment	\$ 156,546	\$ 1,459	\$ -	\$ 158,005
	Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
	Infrastructure	\$ -	\$ -	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
	Other (explain): Land Improvements	\$ 44,553	\$ -	\$ -	\$ 44,553
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (203,201)	\$ (10,149)	\$ -	\$ (213,350)
	TOTAL	\$ 149,449	\$ 10,045	\$ -	\$ 159,494

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	\$ 62,254	\$ 2,125	\$ -	\$ 64,379
	Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
	Infrastructure	\$ 887,410	\$ -	\$ -	\$ 887,410
	Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
	Other (explain):	\$ -	\$ -	\$ -	\$ -
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (702,321)	\$ (23,655)	\$ -	\$ (725,976)
	TOTAL	\$ 247,343	\$ (21,530)	\$ -	\$ 225,813

*must agree to prior year ending balance

PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:
7-1	Does the entity have an "old hire" firemen's pension plan?	☐	☒	
7-2	Does the entity have a volunteer firemen's pension plan?	☐	☒	
If yes:	Who administers the plan?			

Indicate the contributions from:

Tax (property, SO, sales, etc.):

State contribution amount:

Other (gifts, donations, etc.):

TOTAL

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?

\$	-
\$	-
\$	-
TOTAL	\$ -
\$	-

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:	☒	☐	☐
8-2 Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:	☐	☒	☐

Please use this space to provide any explanations or comments:

The Town did not pass an appropriations resolution for any of the funds when it adopted its 2019 budget.

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

Fund Name	Budgeted Expenditures/Expenses
General Fund	\$ 382,155
Water Fund	\$ 210,375
Conservation Trust Fund	\$ 19,043
	\$ -

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

	YES	NO
9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	☒	☐

Please use this space to provide any explanations or comments:

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the

PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box

	YES	NO
10-1 Is this application for a newly formed governmental entity?	☐	☒

Please use this space to provide any explanations or comments:

If yes:

Date of formation:

10-2 Has the entity changed its name in the past or current year?

☐ YES ☒ NO

If Yes:

NEW name

PRIOR name

10-3 Is the entity a metropolitan district?

☐ YES ☒ NO

10-4 Please indicate what services the entity provides:

10-5 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:

10-6 Does the entity have a certified mill levy?

☒ YES ☐ NO

If yes: Please provide the number of mills levied for the year reported (do not enter \$ amounts):

Bond Redemption mills	0.000
General/Other mills	29.500
Total mills	29.500

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	\$	311,178	Unrestricted Fund Balan	\$	48,268	Total Tax Revenue	\$	133,414	
Current Liabilities	\$	72,967	Total Fund Balance	\$	53,568	Revenue Paying Debt Service	\$	-	
Deferred Inflow	\$	46,036	PY Fund Balance	\$	21,630	Total Revenue	\$	219,941	
			Total Revenue	\$	214,354	Total Debt Service Principal	\$	-	
			Total Expenditures	\$	182,416	Total Debt Service Interest	\$	-	
			Interfund In	\$	-				
Governmental			Interfund Out	\$	-	Enterprise Funds			
Total Cash & Investments	\$	78,321				Net Position	\$	438,585	
Transfers In	\$	-	Proprietary						
Transfers Out	\$	-	Current Assets	\$	256,780	PY Net Position	\$	426,306	
Property Tax	\$	43,620	Deferred Outflow	\$	-	Government-Wide			
Debt Service Principal	\$	-	Current Liabilities	\$	44,008	Total Outstanding Debt	\$	-	
Total Expenditures	\$	186,416	Deferred Inflow	\$	-	Authorized but Unissued	\$	-	
Total Developer Advances	\$	-	Cash & Investments	\$	233,107	Year Authorized		1/0/1900	
Total Developer Repayments	\$	-	Principal Expense	\$	-				

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.

1	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.
	Jennifer Brandon	Signed _____ Date: _____ My term Expires: _____
2	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.
	Brooke Price	Signed _____ Date: _____ My term Expires: _____
3	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.
	Shae Smith	Signed _____ Date: _____ My term Expires: _____
4	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.
	James Krehmeyer	Signed _____ Date: _____ My term Expires: _____
5	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.
	Joyce Davis	Signed _____ Date: _____ My term Expires: _____
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.
	David Allen	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 YEAR 2019 FOR THE **Town of Otis**, STATE OF COLORADO.

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

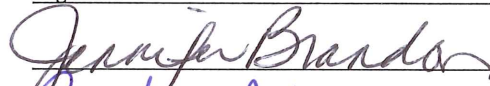
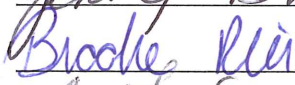
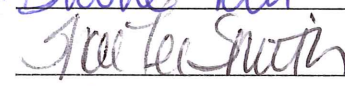
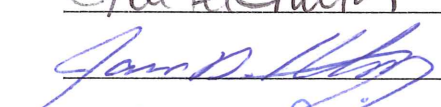
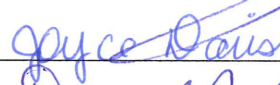
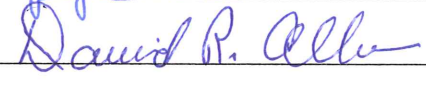
WHEREAS, neither revenues nor expenditures for **Town of Otis** exceeded \$750,000 for Year 2019; and

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

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

NOW THEREFORE, be it resolved/ordained by the **Town Council** of the **Town of Otis** that the application for exemption from audit for **Town of Otis** for the year ended December 31, 2019, has been personally reviewed and is hereby approved by a majority of the **Town Council** of the **Town of Otis**; that those members of the **Town Council** 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 **Town of Otis** for the year ended December 31, 2019.

ADOPTED THIS 24th day of September, 2020.

<u>Printed Name of Director</u>	<u>Date Term Expires</u>	<u>Signature</u>
Jennifer Brandon	2022	
Brooke Price	2024	
Shae Smith	2022	
James Krehmeyer	2022	
Joyce Davis	2022	
David Allen	2024	



LAUER, SZABO & ASSOCIATES, PC

Certified Public Accountants

205 Main St. • P.O. Box 1886 • Sterling, CO 80751-7886

Phone 970-522-2218 • FAX 970-522-2220

Independent Accountants' Compilation Report

To the Mayor and Members of Town Council
Town of Otis
Otis, Colorado

Management is responsible for the accompanying financial statements of Town of Otis, which comprise the balance sheet as of December 31, 2019, and the related operating statements for the year then ended, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements included in the accompanying prescribed form.

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

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

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
September 20, 2020