

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Town of Montezuma
5425 Montezuma Rd.
Montezuma, CO 80435

For the Year Ended
12/31/20
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

Lesley Davis, Mayor
970-513-6846
mayorzuma@gmail.com
n/a

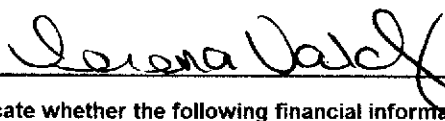
PART 1 - CERTIFICATION OF PREPARER

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
DATE PREPARED

Serena Valdez
Bookkeeper/ Treasurer
All Valdez, LLC
23110 US Highway 6, Unit 109, Keystone CO 80435
970-333-3613
3/23/2021

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)



PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-8)	\$ 9,488	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ 39,717	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ 3,940	
2-6	Intergovernmental: Grants	\$ 7,258	
2-7	Conservation Trust Funds (Lottery)	\$ 1,420	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify): Housing Auth	\$ 6,064	
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): Cigarette Tax Rebate	\$ 38	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 67,925	

PART 3 - EXPENDITURES/EXPENSES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 645	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 3,096	
3-7	Accounting and legal fees	\$ 3,423	
3-8	Repair and maintenance	\$ 2,530	
3-9	Supplies	\$ 324	
3-10	Utilities and telephone	\$ 13,563	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ 5,980	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ 2,924	
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): Election Costs	\$ 1,271	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 33,756	

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.

		Yes	No																																								
4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	☐	☒																																								
4-2	Is the debt repayment schedule attached? If no, MUST explain: 	☐	☐																																								
4-3	Is the entity current in its debt service payments? If no, MUST explain: 	☐	☐																																								
4-4	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)</th> <th style="width: 10%;">Outstanding at end of prior year*</th> <th style="width: 10%;">Issued during year</th> <th style="width: 10%;">Retired during year</th> <th style="width: 10%;">Outstanding at year-end</th> </tr> </thead> <tbody> <tr> <td>General obligation bonds</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Revenue bonds</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Notes/Loans</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Leases</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Developer Advances</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>Other (specify):</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table>			Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end	General obligation bonds	\$ -	\$ -	\$ -	\$ -	Revenue bonds	\$ -	\$ -	\$ -	\$ -	Notes/Loans	\$ -	\$ -	\$ -	\$ -	Leases	\$ -	\$ -	\$ -	\$ -	Developer Advances	\$ -	\$ -	\$ -	\$ -	Other (specify):	\$ -	\$ -	\$ -	\$ -	TOTAL	\$ -	\$ -	\$ -	\$ -
Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end																																							
General obligation bonds	\$ -	\$ -	\$ -	\$ -																																							
Revenue bonds	\$ -	\$ -	\$ -	\$ -																																							
Notes/Loans	\$ -	\$ -	\$ -	\$ -																																							
Leases	\$ -	\$ -	\$ -	\$ -																																							
Developer Advances	\$ -	\$ -	\$ -	\$ -																																							
Other (specify):	\$ -	\$ -	\$ -	\$ -																																							
TOTAL	\$ -	\$ -	\$ -	\$ -																																							

*must tie to prior year ending balance

		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?		
	land for water tank		
	What is the original date of the lease?		
	2008		
	Number of years of lease?		
	30		
	Is the lease subject to annual appropriation?	☒	☐
	What are the annual lease payments?		
	\$ 1,949.00		

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	\$ 201,684	
5-2	Certificates of deposit	\$ -	
	Total Cash Deposits		\$ 201,684
	Investments (if investment is a mutual fund, please list underlying investments):		
		\$ -	
5-3		\$ -	
		\$ -	
		\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ 201,684

Please answer the following questions by marking in the appropriate boxes

		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 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	\$ 100,000	\$ -	\$ -	\$ 100,000
Buildings	\$ 50,000	\$ -	\$ -	\$ 50,000
Machinery and equipment	\$ 13,000	\$ -	\$ -	\$ 13,000
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 163,000	\$ -	\$ -	\$ 163,000

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

\$ -

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:

Fund Name	Budgeted Expenditures/Expenses

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

Please answer the following question by marking in the appropriate box

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Yes

No

☒

☐

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

If no, MUST explain:

PART 10 - GENERAL INFORMATION

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

Yes

No

10-1 Is this application for a newly formed governmental entity?

☐

☒

10-1

If yes: Date of formation:

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

☐

☒

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

10-3 Is the entity a metropolitan district?

☐

☒

Please indicate what services the entity provides:

10-4 Does the entity have an agreement with another government to provide services?

☐

☒

If yes: List the name of the other governmental entity and the services provided:

10-5 Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during

☐

☒

If yes: Date Filed:

10-6 Does the entity have a certified Mill Levy?

☒

☐

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

Bond Redemption mills

General/Other mills

Total mills

	-
	3.188
	3.188

Please use this space to provide any explanations or comments:

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1

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



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

Policy - Requirements

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

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

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

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

Town of Montezuma
Profit & Loss
January through December 2020

	<u>Jan - Dec 20</u>
Ordinary Income/Expense	
Income	
Trust Interest Income-8001	597.24
Lottery Fund Interest-8002	70.92
Lottery Funds-8002	752.11
Business License Income	
Marijuana Business Licenses	700.00
Business License Income - Other	600.00
Total Business License Income	1,300.00
Development Applications	2,640.00
Grant Funds	
DOLA Hydrant	7,258.24
Total Grant Funds	7,258.24
Tax Revenue	
Cigarette Tax Rebate	38.11
CO Dept of Revenue Gen'l Sales	39,717.36
Summit CO Prop/Vehicle/Specific	9,488.11
Summit Housing Authority	6,063.34
Total Tax Revenue	55,306.92
Total Income	67,925.43
Expense	
Dues, Fees & Subscriptions	644.86
Insurance	3,095.95
Office Supply, Postage, Mtg Exp	324.39
Professional Fees	
Accounting/Treasurer Fees	1,410.00
Legal Fees	2,012.97
Election Costs	1,270.70
Total Professional Fees	4,693.67
Repairs & Maintenance	2,530.00
Road Improvements	3,500.00
Snow Removal	2,480.00
Special Event Expense	2,923.85
Utilities	2,054.31
Water Expense	11,508.50
Total Expense	33,755.53
Net Ordinary Income	34,169.90
Net Income	<u><u>34,169.90</u></u>

12:50 PM

03/23/21

Cash Basis

Town of Montezuma

Balance Sheet

As of December 31, 2020

	<u>Dec 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
Colorado Trust Lottery Acct8002	6,701.15
Colorado Trust General Acct8001	82,384.89
1st Bank Checking 0356	112,598.01
Total Checking/Savings	<u>201,684.05</u>
Total Current Assets	<u>201,684.05</u>
Fixed Assets	
Buildings	50,000.00
Land	100,000.00
Water Tanks	13,000.00
Total Fixed Assets	<u>163,000.00</u>
TOTAL ASSETS	<u>364,684.05</u>
LIABILITIES & EQUITY	
Equity	
Conservation Fund (Lottery)	13,754.74
Fixed Assets Investment	163,000.00
Unrestricted Net Assets	155,759.41
Net Income	32,169.90
Total Equity	<u>364,684.05</u>
TOTAL LIABILITIES & EQUITY	<u>364,684.05</u>

RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT 2021-2
(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2020
FOR THE TOWN OF MONTEZUMA, STATE OF COLORADO.

WHEREAS, the Town Council of The Town of Montezuma 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 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 Town of Montezuma exceeded \$750,000 for Fiscal Year
2020; and

WHEREAS, an application for exemption from audit for The Town of Montezuma has been prepared by Serena
Valdez, 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 Town Council of The Town of Montezuma that the application
for exemption from audit for The Town of Montezuma for the Fiscal Year ended December 31, 2020, has been
personally reviewed and is hereby approved by a majority of the Town Council of The Town of Montezuma; 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 Montezuma for the
fiscal year ended December 31, 2020.

ADOPTED THIS 16 DAY OF March, A.D. 2020

Mayor

ATTEST:

Town Clerk

Type of Print Names of
Members of Governing Body

Date Term
Expires

Signature

Robbie Maldonado

4/22

James Davis

4/24

Nash Landwehr

4/24

Levi Corrigan

4/22