

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT  
ADDRESS

Hazeltime Heights Water and Sanitation District
P.O. Box 38
Henderson, CO 80640

For the Year Ended  
12/31/21  
or fiscal year ended:

CONTACT PERSON  
PHONE  
EMAIL  
FAX

Keith Sabin	Terri Rupert CPA
303-288-8730	303-388-1010
hhw-sd@comcast.net	trupert@hanson-cpa.com
	303-388-9740

### 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

Terri Rupert
CPA
Hanson&Co. Certified Public Accountants
4100 East Mississippi, 17th Floor, Denver, CO 80246
303-388-1010
1/31/2022

### 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 10-6)	\$ 9,769	
2-2	Specific ownership	\$ 807	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ 2,432	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ 70,731	
2-11	Fines and forfeits	\$ 928	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 75	
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	Miscellaneous other service income	\$ 2,039	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) <b>TOTAL REVENUE</b>	\$ 86,781	

## 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	\$ 1,947	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 3,361	
3-7	Accounting and legal fees	\$ 15,100	
3-8	Repair and maintenance	\$ 15,545	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ 7,213	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ 3,155	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ 9,757	
3-18	Debt service interest	\$ 12,585	
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): Director fees	\$ 2,160	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) <b>TOTAL EXPENDITURES/EXPENSES</b>	\$ 70,823	

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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
4-2 Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
4-3 Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ 269,277	\$ -	\$ 9,757	\$ 259,520
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 269,277</b>	<b>\$ -</b>	<b>\$ 9,757</b>	<b>\$ 259,520</b>

\*must tie 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: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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	\$ 271,044	
5-2 Certificates of deposit	\$ 56,184	
<b>Total Cash Deposits</b>		<b>\$ 327,228</b>
Investments (if investment is a mutual fund, please list underlying investments):		
_____	\$ -	
_____	\$ -	
5-3 _____	\$ -	
_____	\$ -	
<b>Total Investments</b>		<b>\$ -</b>
<b>Total Cash and Investments</b>		<b>\$ 327,228</b>

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.?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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.)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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?  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

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ 8,000	\$ -	\$ -	\$ 8,000
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ 1,081	\$ -	\$ -	\$ 1,081
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain): Water storage and delivery systems	\$ 819,707	\$ 3,155	\$ -	\$ 822,862
Accumulated Depreciation	\$ (611,968)	\$ (25,081)	\$ -	\$ (637,049)
<b>TOTAL</b>	<b>\$ 216,820</b>	<b>\$ (21,926)</b>	<b>\$ -</b>	<b>\$ 194,894</b>

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" firefighters' pension plan?  Yes       No
- 7-2 Does the entity have a volunteer firefighters' pension plan?  Yes       No
- If yes: Who administers the plan?  Yes       No

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
<b>TOTAL</b>	<b>\$ -</b>
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

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

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
Proprietary Fund	\$ 80,996

## PART 9 - TAXPAYER'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 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	4.500
<b>Total mills</b>	<b>4.500</b>

	-
	4.500
	4.500

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

### 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.

# RESOLUTION FOR EXEMPTION FROM AUDIT

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

A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 2021 FOR THE HAZELTINE HEIGHTS WATER AND SANITATION DISTRICT, STATE OF COLORADO.

WHEREAS, the Board of Directors of Hazeltine Heights Water and Sanitation District wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed seven hundred and fifty thousand dollars may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

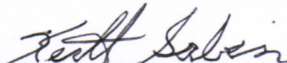
WHEREAS, neither revenues nor expenditures for Hazeltine Heights Water and Sanitation District exceeded \$100,000 for Fiscal Year 2021; and


WHEREAS, an application for exemption from audit for Hazeltine Heights Water and Sanitation District has been prepared by Terri Rupert with Hanson and Company, a person skilled in governmental accounting; and


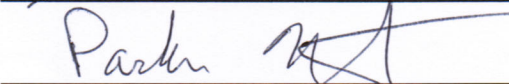
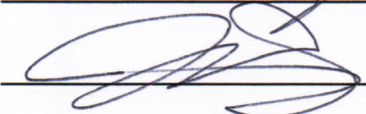
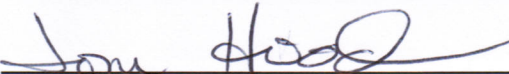
WHEREAS, said application for exemption from audit has been completed in accordance with regulations, issued by the State Auditor.

NOW THEREFORE, be it resolved/ordained by the Board of Directors of the Hazeltine Heights Water and Sanitation District that the application for exemption from audit for Hazeltine Heights Water and Sanitation District for the Fiscal Year ended December 31, 2021, has been personally reviewed and is hereby approved by a majority of the Board of Directors of the Hazeltine Heights Water and Sanitation District; that those members of the Board of Directors 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 Hazeltine Heights Water and Sanitation District for the fiscal year ended December 31, 2021.

ADOPTED THIS 8<sup>th</sup> day of February, A.D. 2022.

  
\_\_\_\_\_  
Board President Keith Sabin

ATTEST:  
  
\_\_\_\_\_  
Board Secretary Parker Hoyt

<u>Members of Governing Body</u>	<u>Date Term Expires</u>	<u>Signature</u>
Keith Sabin	5/2023	
Parker Hoyt	5/2023	
Joshua Mendoza	5/2022	
Kevin Denny	5/2022	_____
Joni Hood	5/2022	

## Hazeltine Heights - Bond Payable

	Date	Payment	Interest	Principal	Balance
40	10/20/2020	11,216.00	6,507.70	4,708.30	269,300.28
2020	Totals	22,432.00	13,124.63	9,307.37	
41	04/20/2021	11,216.00	6,395.88	4,820.12	264,480.16
42	10/20/2021	11,216.00	6,281.40	4,934.60	259,545.56
2021	Totals	22,432.00	12,677.28	9,754.72	
43	04/20/2022	11,216.00	6,164.21	5,051.79	254,493.77
44	10/20/2022	11,216.00	6,044.23	5,171.77	249,322.00
2022	Totals	22,432.00	12,208.44	10,223.56	
45	04/20/2023	11,216.00	5,921.40	5,294.60	244,027.40
46	10/20/2023	11,216.00	5,795.65	5,420.35	238,607.05
2023	Totals	22,432.00	11,717.05	10,714.95	
47	04/20/2024	11,216.00	5,666.92	5,549.08	233,057.97
48	10/20/2024	11,216.00	5,535.13	5,680.87	227,377.10
2024	Totals	22,432.00	11,202.05	11,229.95	
49	04/20/2025	11,216.00	5,400.21	5,815.79	221,561.31
50	10/20/2025	11,216.00	5,262.08	5,953.92	215,607.39
2025	Totals	22,432.00	10,662.29	11,769.71	
51	04/20/2026	11,216.00	5,120.68	6,095.32	209,512.07
52	10/20/2026	11,216.00	4,975.91	6,240.09	203,271.98
2026	Totals	22,432.00	10,096.59	12,335.41	
53	04/20/2027	11,216.00	4,827.71	6,388.29	196,883.69
54	10/20/2027	11,216.00	4,675.99	6,540.01	190,343.68
2027	Totals	22,432.00	9,503.70	12,928.30	
55	04/20/2028	11,216.00	4,520.66	6,695.34	183,648.34
56	10/20/2028	11,216.00	4,361.65	6,854.35	176,793.99
2028	Totals	22,432.00	8,882.31	13,549.69	
57	04/20/2029	11,216.00	4,198.86	7,017.14	169,776.85
58	10/20/2029	11,216.00	4,032.20	7,183.80	162,593.05
2029	Totals	22,432.00	8,231.06	14,200.94	
59	04/20/2030	11,216.00	3,861.58	7,354.42	155,238.63
60	10/20/2030	11,216.00	3,686.92	7,529.08	147,709.55
2030	Totals	22,432.00	7,548.50	14,883.50	
61	04/20/2031	11,216.00	3,508.10	7,707.90	140,001.65
62	10/20/2031	11,216.00	3,325.04	7,890.96	132,110.69
2031	Totals	22,432.00	6,833.14	15,598.86	
63	04/20/2032	11,216.00	3,137.63	8,078.37	124,032.32

## Hazeltine Heights - Bond Payable

	Date	Payment	Interest	Principal	Balance
64	10/20/2032	11,216.00	2,945.77	8,270.23	115,762.09
2032 Totals		22,432.00	6,083.40	16,348.60	
65	04/20/2033	11,216.00	2,749.35	8,466.65	107,295.44
66	10/20/2033	11,216.00	2,548.27	8,667.73	98,627.71
2033 Totals		22,432.00	5,297.62	17,134.38	
67	04/20/2034	11,216.00	2,342.41	8,873.59	89,754.12
68	10/20/2034	11,216.00	2,131.66	9,084.34	80,669.78
2034 Totals		22,432.00	4,474.07	17,957.93	
69	04/20/2035	11,216.00	1,915.91	9,300.09	71,369.69
70	10/20/2035	11,216.00	1,695.03	9,520.97	61,848.72
2035 Totals		22,432.00	3,610.94	18,821.06	
71	04/20/2036	11,216.00	1,468.91	9,747.09	52,101.63
72	10/20/2036	11,216.00	1,237.41	9,978.59	42,123.04
2036 Totals		22,432.00	2,706.32	19,725.68	
73	04/20/2037	11,216.00	1,000.42	10,215.58	31,907.46
74	10/20/2037	11,216.00	757.80	10,458.20	21,449.26
2037 Totals		22,432.00	1,758.22	20,673.78	
75	04/20/2038	11,216.00	509.42	10,706.58	10,742.68
76	10/20/2038	10,997.82	255.14	10,742.68	0.00
2038 Totals		22,213.82	764.56	21,449.26	
Grand Totals		852,197.82	459,311.75	392,886.07	

**Established 1968**  
Seasoned Advice. Financial Clarity.

Board of Directors  
Hazeltine Heights Water and Sanitation District

Management is responsible for the accompanying financial statements of Hazeltine Heights Water and Sanitation District, which comprise part 2 - revenue and part 3 - expenditures/expenses for the year ended December 31, 2021, included in the accompanying prescribed form, application for exemption from audit – short 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 the financial statements included in the accompanying prescribed form.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the State of 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.

The supplementary information contained in the prescribed form is presented for purposes of additional analysis and is not a required part of the financial statements. This information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

This report is intended solely for the information and use of Hazeltine Heights Water and Sanitation District and the State of Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.



Denver, Colorado

January 31, 2022