

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Sheridan Sanitation District No. 1
C/O Pinnacle Consulting Group, Inc.
550 W Eisenhower Blvd
Loveland, CO 80537
Teresa Adler
970-669-3611
teresaa@pcgi.com

For the Year Ended
12/31/22
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL

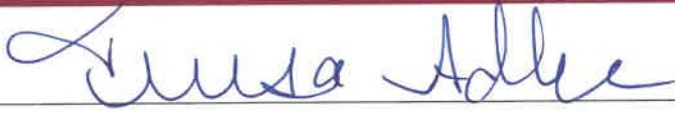
PART 1 - CERTIFICATION OF PREPARER

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

Teresa Adler
Senior Accounting Manager
Pinnacle Consulting Group, Inc.
550 W Eisenhower Blvd, Loveland, CO 80537
970-669-3611
3/6/2023

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)



4/4

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)	\$ 3,837	
2-2	Specific ownership	\$ 244	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 1,033	
2-14	Charges for utility services	\$ 3,490	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 8,604	

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	\$ -	
3-2	Salaries	\$ 2,300	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 1,514	
3-7	Accounting and legal fees	\$ 24,100	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
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): Treasurer's Fees	\$ 58	
3-24	Election	\$ -	
3-25	Office, Dues, & Other	\$ 135	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 28,107	

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 type="checkbox"/>	<input checked="" 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 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 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)	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Lease Liabilities	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*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? <input type="checkbox"/> 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	\$ 7,980	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ 7,980
Investments (if investment is a mutual fund, please list underlying investments):		
Colotrust	\$ 73,857	
5-3	\$ -	
	\$ -	
	\$ -	
Total Investments		\$ 73,857
Total Cash and Investments		\$ 81,837

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 AND RIGHT-TO-USE ASSETS

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

- | | Yes | No |
|---|-------------------------------------|--------------------------|
| 6-1 Does the entity have capital assets? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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: | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

6-3 Complete the following capital & right-to-use assets table:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 29,873	\$ -	\$ -	\$ 29,873
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 29,873	\$ -	\$ -	\$ 29,873

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? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 7-2 Does the entity have a volunteer firefighters' pension plan? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- 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?	\$ -

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.? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input style="width: 100%;" type="text"/> | | | |
| 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"/> |
| <input style="width: 100%;" type="text"/> | | | |

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 44,658

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

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? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | Date of formation: <input style="width: 450px; height: 20px;" type="text"/> | | |
| 10-2 | Has the entity changed its name in the past or current year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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

- | | | | |
|-------------|---|--------------------------|-------------------------------------|
| 10-3 | Is the entity a metropolitan district? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | Please indicate what services the entity provides:
<input style="width: 550px; height: 20px;" type="text"/> | | |

Sanitation/storm, streets, traffic & safety controls, parks & rec, transportation, mosquito control, security, covenant enforcement, water

- | | | | |
|-------------|---|-------------------------------------|--------------------------|
| 10-4 | Does the entity have an agreement with another government to provide services? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------|---|-------------------------------------|--------------------------|

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

The City of Englewood treats the District waste water at the Bi-Ci plant and bills property for water

- | | | | |
|-------------|--|--------------------------|-------------------------------------|
| 10-5 | Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | Date Filed: <input style="width: 450px; height: 20px;" type="text"/> | | |

- | | | | |
|-------------|--|-------------------------------------|--------------------------|
| 10-6 | Does the entity have a certified Mill Levy? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------|--|-------------------------------------|--------------------------|

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

Bond Redemption mills	-
General/Other mills	0.734
Total mills	0.734

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.

Print the names of ALL members of current governing body below.
Print Board Member's Name

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

Board Member 1

Teresa Martinez

I Teresa Martinez Teresa Martinez, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed Teresa Martinez
Date: 3/23/23
My term Expires: May 2023

Board Member 2

Print Board Member's Name

Jason A. Patton

I Jason A. Patton Jason A. Patton, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed Jason A. Patton
Date: 3/23/2023
My term Expires: May 2025

Board Member 3

Print Board Member's Name

Lucia (Lucy) Martinez

I Lucia (Lucy) Martinez Lucia Martinez, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed Lucia Martinez
Date: 3/24/2023
My term Expires: May 2023

Board Member 4

Print Board Member's Name

I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed _____
Date: _____
My term Expires: _____

Board Member 5

Print Board Member's Name

I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed _____
Date: _____
My term Expires: _____

Board Member 6

Print Board Member's Name

I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed _____
Date: _____
My term Expires: _____

Board Member 7

Print Board Member's Name

I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed _____
Date: _____
My term Expires: _____



Management Financial Statements

BOARD OF DIRECTORS
SHERIDAN SANITATION DISTRICT NO. 1

We have prepared the accompanying management financial statements for the periods ending as of December 31, 2021 and December, 2022.

We have also prepared the accompanying adopted budgets of revenues, expenditures, and funds available prepared on the modified accrual basis of Sheridan Sanitation District No. 1 for the year ending December 31, 2023.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed, or compiled the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the financial position and results of operations.

A handwritten signature in blue ink that reads "Tessa Adler". The signature is fluid and cursive.

Pinnacle Consulting Group, Inc.
March 6, 2023

SHERIDAN SANITATION DISTRICT NO. 1
BALANCE SHEET
December 31, 2021 and December 31, 2022

	Unaudited Actual <u>12/31/2021</u>	Unaudited Actual <u>12/31/2022</u>
Assets		
Current Assets		
Cash, Checking, Chase	\$3,048	\$7,980
ColoTrust, Savings	93,975	64,974
ColoTrust, System Rehab	8,759	8,882
Due from City of Englewood	6,220	3,490
Due from County Treasurer	9,866	20
Property Tax Receivable	3,848	11
Prepaid Expenses	-	1,972
Total Current Assets	\$125,716	\$87,330
Long-Term Assets		
Sewer system	\$29,873	\$29,873
Total Fixed Assets	\$29,873	\$29,873
Total Assets	\$155,589	\$117,203
Liabilities		
Current Liabilities		
Accounts Payable	\$16,628	\$1,582
Deferred Property Taxes	3,848	11
Total Current Liabilities	\$20,476	\$1,593
Total Liabilities	\$20,476	\$1,593
Fund Equity		
Restricted	\$435	\$843
Unassigned	134,678	114,767
Total Fund Equity	\$135,113	\$115,610
Total Liabilities and Fund Equity	\$155,589	\$117,203
	=	=

See Accompanying Accountant's Report

SHERIDAN SANITATION DISTRICT NO. 1							
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS							
December 31, 2020 Actual, 2021 Adopted and Projected Budget							
Year-to-date Actual, Budget and Variance through December 31, 2022							
2023 Adopted Budget							
Modified Accrual Budgetary Basis							
GENERAL FUND	2021	2022	2022	Actual	Budget	Variance	2023
	Unaudited	Adopted	Projected	Through	Through	Through	Adopted
Revenues	Actual	Budget	Budget	12/31/22	12/31/22	12/31/22	Budget
Property Taxes	\$3,610	\$3,848	\$3,848	\$3,837	\$3,848	\$ (11)	\$3,732
Specific Ownership Taxes	266	308	366	244	308	(64)	261
Sanitation Fees	6,220	7,500	6,500	3,490	7,500	(4,010)	6,500
Interest Income	48,636	500	1,549	1,033	500	533	500
Total Revenues	\$58,733	\$12,156	\$12,263	\$8,604	\$12,156	(\$3,551)	\$10,993
Expenditures							
Director's Fees	\$0	\$0	\$3,000	\$2,300	\$0	\$ 2,300	\$3,000
Accounting	1,875	7,500	3,000	644	7,500	(6,856)	7,500
Elections	-	2,000	-	-	2,000	(2,000)	-
Sewer Cleaning/Repairs	8,200	20,000	-	-	20,000	(20,000)	20,000
Treasurer's Fees	54	58	58	58	58	(0)	56
Insurance	-	100	1,515	1,515	100	1,415	1,000
Legal Fees	4,238	7,500	28,000	23,456	7,500	15,956	25,000
Office & Other	132	500	1,000	135	500	(365)	1,000
Dissolution Cost	-	5,000	-	-	5,000	(5,000)	63,702
Contingency/Emergency Reserves	-	2,000	-	-	2,000	(2,000)	-
Total Operating Expenditures	\$14,499	\$44,658	\$36,572	\$28,107	\$44,658	(\$16,551)	\$121,258
Revenues over/(under) Expenditures	\$44,233	(\$32,502)	(\$24,309)	(\$19,503)	(\$32,502)	\$13,000	(\$110,265)
Beginning Fund Balance	90,880	90,880	135,113	135,113	90,880	\$ 44,233	110,804
Ending Fund Balance	\$135,113	\$58,378	\$110,804	\$115,610	\$58,378	\$57,233	\$539
						=	
See Accompanying Accountant's Report							