

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

IF EITHER REVENUES OR EXPENDITURES EXCEED \$100,000, USE THE LONG FORM.

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed \$750,000 in the year.

EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit EACH YEAR and submit it to the Office of the State Auditor (OSA).

Any preparer of an Application for Exemption from Audit-SHORT FORM must be a person skilled in governmental accounting.

Approval for an exemption from audit is granted only upon the review by the OSA.

READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

ALL APPLICATIONS MUST BE FILED WITH THE OSA WITHIN 3 MONTHS AFTER THE ACCOUNTING YEAR-END.

FOR EXAMPLE, APPLICATIONS MUST BE RECEIVED BY THE OSA ON OR BEFORE MARCH 31 FOR GOVERNMENTS WITH A DECEMBER 31 YEAR-END. APPLICATIONS FOR EXEMPTION FROM AUDIT ARE NOT ELIGIBLE FOR AN EXTENSION OF TIME

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE MODIFIED ACCRUAL BASIS

PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A BUDGETARY BASIS

POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.

APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

FOR YOUR REFERENCE, COLORADO REVISED STATUTES CAN BE FOUND AT:

<http://www.lexisnexis.com/hottopics/Colorado/>

CHECKLIST

- ☒ Has the preparer signed the application?
- ☒ Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- ☒ Has the application been PERSONALLY reviewed and approved by the governing body?
- ☒ Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?

☒ Will this application be submitted electronically?

☒ If yes, have you read and understand the new Electronic Signature Policy? See [Click Here](#) new policy -->

--or--

☒ If yes, have you included a resolution?

☒ Does the resolution state that the governing body PERSONALLY reviewed and approved the resolution in an open public meeting?

☒ Has the resolution been signed by a MAJORITY of the governing body? (See sample resolution.)

☐ Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)

☐ If yes, does the application include ORIGINAL INK SIGNATURES from the MAJORITY of the governing body?

Checkout our web portal. Register your account and submit electronic Applications for Exemption From Audit, Extension of Time to File requests, Audited Financial Statements, and more! See the link below.

[Click here to go to the portal](#)

FILING METHODS

Register and submit your Applications at our web portal! For faster processing the web portal is the preferred method for submission

WEB PORTAL: <https://apps.leg.co.gov/osa/lq>

MAIL: Office of the State Auditor

Local Government Audit Division

1525 Sherman St., 7th Floor

Denver, CO 80203

Please Note: The OSA's email addresses have changed as of December 1, 2023. Please ensure you are using the email address noted below

QUESTIONS? Email: osa.lg@coleg.gov OR Phone: 303-869-3000

IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year.

In that event, AN AUDIT SHALL BE REQUIRED

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Town of Montezuma
5425 Montezuma Road
Montezuma, CO 80435

For the Year Ended
12/31/23
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL

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

PART 1 - CERTIFICATION OF PREPARER

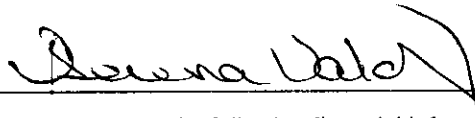
I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE

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

PREPARER (SIGNATURE REQUIRED)

DATE PREPARED



3/19/24

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 10-5)	\$ 10,266	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ 49,674	
2-4	Other (specify): Trust Interest Income	\$ 4,482	
2-5	Licenses and permits	\$ 3,645	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ 1,769	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify): Housing Authority	\$ 8,249	
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	\$ 105	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 78,190	

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	\$ 8,972	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 3,608	
3-7	Accounting and legal fees	\$ 3,436	
3-8	Repair and maintenance	\$ 690	
3-9	Supplies	\$ 808	
3-10	Utilities and telephone	\$ 44,574	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ 8,847	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ 3,203	
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): Hydrant Project Expenses	\$ 22,641	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 96,780	

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 below: 	☐	☐		
4-3 Is the entity current in its debt service payments? If no, MUST explain below: 	☐	☐		
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	\$ -	\$ -	\$ -	\$ -
Lease & SBITA** Liabilities [GASB 87 & 96]	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

**Subscription Based Information Technology Arrangements

*Must agree to prior year-end 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? \$ 2,285.00	☒	☐

Part 4 - Please use this space to provide any explanations/comments or attach separate documentation, if needed

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	\$ 202,246	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ 202,246
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
	\$ -	
	\$ -	
Total Investments		\$ -
Total Cash and Investments		\$ 202,246

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 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? ☒ 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 & right-to-use 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)	\$ -	\$ -	\$ -	\$ -
Leased & SBITA Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 163,000	\$ -	\$ -	\$ 163,000

*must tie to prior year ending balance

Part 6 - Please use this space to provide any explanations/comments or attach documentation, if needed:

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?

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 7 - 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.? If no, MUST explain: ☒ 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
General Funds	\$ 49,907
Conservation Trust Fund Expenditures	\$ 97,600

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? | ☐ | ☒ |
| If yes: | Date of formation: <input style="width: 400px;" type="text"/> | | |
| 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 <i>Title 32, Article 1 Special District Notice of Inactive Status</i> 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	3.188
Total mills	3.188

- | | | Yes | No | N/A |
|------|--|--------------------------|--------------------------|-------------------------------------|
| 10-7 | NEW 2023! If the entity is a Title 32 Special District formed on or after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 [Section 32-1-207 C.R.S.]? If NO, please explain. | ☐ | ☐ | ☒ |

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

RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT 2024-3
(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2023
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

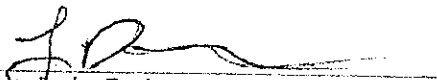
WHEREAS, neither revenues nor expenditures for The Town of Montezuma exceeded \$750,000 for Fiscal Year 2021; and

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

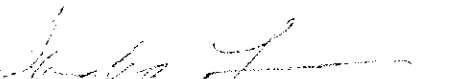
WHEREAS, said application for exemption from audit has been completed in accordance with regulations, issued by the State Auditor.

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, 2023, 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, 2023.

ADOPTED THIS 19 DAY OF March, A.D. 2024


Mayor, Lesley Davis

ATTEST:


Sandy Lerner, Town Clerk

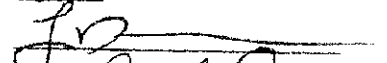
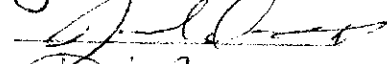
Type of Print Names of
Members of Governing Body

Lesley Davis
JAMES R DAVIS JR
David Levi Corrigan
Sui K. Flores

Date Term
Expires

04/26
04/28
04/26
04/26

Signature



David Levi Corrigan
Sui K Flores

Mary Corrigan

4/26