

APPLICATION FOR EXEMPTION FROM AUDIT LONG FORM

FOR LOCAL GOVERNMENTS WITH EITHER REVENUES OR EXPENDITURES MORE THAN \$100,000 BUT NOT MORE THAN \$750,000
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 for 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) for approval. Any preparer of an Application for Exemption from Audit must be an independent accountant with knowledge of 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 SUBMISSIONS 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 THIS ADDRESS:

<http://www.lexisnexis.com/hotlopes/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?
- Are all sections of the form complete, including responses to all of the questions?
- 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 Electronic Signature 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 at the end of this form.)
 - 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?

See the link below:

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

Check out 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!

WEB PORTAL:

Register and submit your Applications at our web portal:

<https://apps.lga.co.gov/osalga>

FILE METHODS

For faster processing the web portal is the preferred method for submission

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.
Email: osalga@coleg.gov OR Phone: 303-869-3000

QUESTIONS?

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 -- A budget to GAAP reconciliation is provided in Part 3

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

LONG FORM

NAME OF GOVERNMENT
 ADDRESS
 CONTRACT PERSON
 PHONE
 EMAIL

BASELINE WATER DISTRICT
 PO BOX 28324
 BOULDER CO 80308-3324
 MARY WAGNER
 303-499-1769
 baselinewater@comcast.net

For the Year Ended
 12/31/2024
 or fiscal year ended:

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 expenditures 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
 RELATIONSHIP TO ENTITY

DAVID L. SCHWENKE
 CPA
 Schwenske & Associates, PC
 4845 Pearl East Circle, Suite 101, Boulder, CO 80301
 303-440-1658
 None

PREPARER (SIGNATURE REQUIRED)

David L Schwenske

02/03/2025

DATE PREPARED
 (No exemption shall be granted prior to the close
 of said fiscal year)

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 to 3) and 32-1-104 (9), c.f.R.S.]

YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>	If Yes, date filed:	
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PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Please indicate the name of the fund (e.g., General Fund, Debt Service Fund, etc.)
NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds (Modified Accrual Basis)			Description	Proprietary/Enterprise Funds (Cash or Budgetary Basis)	
		Fund*	Fund*	Fund*		GENERAL	Fund*
1-1	Assets						
1-2	Cash & Cash Equivalents	\$	\$	\$	\$	1,523,754	\$
1-3	Investments	\$	\$	\$	\$	-	\$
1-4	Receivables	\$	\$	\$	\$	8,547	\$
1-5	Due from Other Entities or Funds	\$	\$	\$	\$	-	\$
	Property Tax Receivable	\$	\$	\$	\$	320	\$
	All Other Assets	\$	\$	\$	\$	-	\$
1-6	Lease Receivable (as Lessor)	\$	\$	\$	\$	1,532,521	\$
1-7	Other [specify...]	\$	\$	\$	\$	5,519	\$
1-8		\$	\$	\$	\$	-	\$
1-9		\$	\$	\$	\$	-	\$
1-10		\$	\$	\$	\$	-	\$
1-11		\$	\$	\$	\$	-	\$
1-12	Deferred Outflows of Resources:						
1-13	[specify...]	\$	\$	\$	\$	1,538,140	\$
1-14	[specify...]	\$	\$	\$	\$	-	\$
1-15	[specify...]	\$	\$	\$	\$	-	\$
1-16	TOTAL ASSETS	\$	\$	\$	\$	1,538,140	\$
1-17	Liabilities						
1-18	Accounts Payable	\$	\$	\$	\$	7,348	\$
1-19	Accrued Payroll and Related Liabilities	\$	\$	\$	\$	2,014	\$
1-20	Unearned Revenue	\$	\$	\$	\$	-	\$
1-21	Due to Other Entities or Funds	\$	\$	\$	\$	-	\$
1-22	All Other Current Liabilities	\$	\$	\$	\$	-	\$
1-23	TOTAL CURRENT LIABILITIES	\$	\$	\$	\$	9,362	\$
1-24	Deferred Inflows of Resources:						
1-25	[specify...]	\$	\$	\$	\$	-	\$
1-26	[specify...]	\$	\$	\$	\$	-	\$
1-27	[specify...]	\$	\$	\$	\$	-	\$
1-28	TOTAL LIABILITIES	\$	\$	\$	\$	9,362	\$
1-29	Deferred Inflows of Resources:						
1-30	[specify...]	\$	\$	\$	\$	-	\$
1-31	[specify...]	\$	\$	\$	\$	-	\$
1-32	TOTAL DEFERRED INFLOWS	\$	\$	\$	\$	-	\$
1-33	Fund Balance						
1-34	Nonspendable Proprietary	\$	\$	\$	\$	5,519	\$
1-35	Restricted [specify...]	\$	\$	\$	\$	-	\$
1-36	Committed [specify...]	\$	\$	\$	\$	-	\$
1-37	Assigned [specify...]	\$	\$	\$	\$	-	\$
1-38	Unassigned:	\$	\$	\$	\$	1,523,259	\$
	TOTAL FUND BALANCE	\$	\$	\$	\$	1,528,778	\$
	TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$	\$	\$	\$	1,538,140	\$

Please use this space to provide explanation of any item on this page

PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES/EXPENSES

Line #	Description	Governmental Funds				Proprietary/Functionary Funds	
		Fund#	Fund#	Fund#	Fund#	GENERAL	Fund#
3-1	Expenditures						
3-2	General Government	\$	\$	\$	\$	10,543	\$
3-3	Judicial	-	-	-	-	26,730	\$
3-4	Law Enforcement	\$	\$	\$	\$	2,082	\$
3-5	Fire	\$	\$	\$	\$	1,970	\$
3-6	Highways & Streets	\$	\$	\$	\$	-	\$
3-7	Solid Waste	\$	\$	\$	\$	-	\$
3-8	Contributions to Fire & Police Pension Assoc.	\$	\$	\$	\$	3,384	\$
3-9	Health	\$	\$	\$	\$	350	\$
3-10	Culture and Recreation	\$	\$	\$	\$	4,538	\$
3-11	Transfers to other districts	\$	\$	\$	\$	-	\$
3-12	Other [specify...]	\$	\$	\$	\$	-	\$
3-13	Water Purchase	\$	\$	\$	\$	170,857	\$
3-14	Capital Outlay	\$	\$	\$	\$	-	\$
3-15	Debt Service	\$	\$	\$	\$	-	\$
3-16	Principal (should match amount in 4-4)	\$	\$	\$	\$	-	\$
3-17	Interest	\$	\$	\$	\$	-	\$
3-18	Bond Issuance Costs	\$	\$	\$	\$	-	\$
3-19	Developer Principal Repayments	\$	\$	\$	\$	-	\$
3-20	Developer Interest Repayments	\$	\$	\$	\$	-	\$
3-21	All Other [specify...]	\$	\$	\$	\$	-	\$
3-22		\$	\$	\$	\$	-	\$
3-23		\$	\$	\$	\$	-	\$
3-24		\$	\$	\$	\$	-	\$
3-25	Grand Total	\$	\$	\$	\$	220,454	\$
3-26	Interfund Transfers (In)	\$	\$	\$	\$	-	\$
3-27	Interfund Transfers Out	\$	\$	\$	\$	-	\$
3-28	Other Expenditures (Revenues)	\$	\$	\$	\$	(650)	\$
3-29		\$	\$	\$	\$	-	\$
3-30		\$	\$	\$	\$	-	\$
3-31		\$	\$	\$	\$	-	\$
3-32	Grand Total	\$	\$	\$	\$	(650)	\$
3-33	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	\$	\$	\$	\$	-	\$
3-34	Line 2-30, less line 3-24, less line 3-32	\$	\$	\$	\$	189,152	\$
3-34	Fund Balance, January 1 from December 31 prior year report	\$	\$	\$	\$	-	\$
3-35	Prior Period Adjustment (MUST explain)	\$	\$	\$	\$	1,389,526	\$
3-36	Fund Balance, December 31	\$	\$	\$	\$	-	\$
3-36	Sum of Lines 3-33, 3-34, and 3-35	\$	\$	\$	\$	1,528,778	\$
3-36	This total should be the same as line 1-37.	\$	\$	\$	\$	-	\$

If GRAND TOTAL EXPENDITURES FOR ALL FUNDS (Line 3-25) ARE 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) 689-3000 for assistance.
 Please use this space to provide explanation of any item on this page

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

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

- 6-1 Does the entity have capitalized assets? Yes No
 (If 'No' is checked, skip the rest of Part 6.)
- 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: No Yes
MOST ASSETS ARE UNDERGROUND PIPES, VALVES, AND METERS.

Please use this space to provide any explanations or comments

6-3

Complete the following Capital & Right-to-Use Assets table for GOVERNMENTAL FUNDS:

	Balance - beginning of the year	Additions*	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased & SBITA Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Intangible Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization Right to Use Assets (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

6-4

Complete the following Capital & Right-to-Use Assets table for PROPRIETARY FUNDS:

	Balance - beginning of the year	Additions*	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ 2,315	\$ -	\$ -	\$ 2,315
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 326,963	\$ -	\$ -	\$ 326,963
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased & SBITA Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Intangible Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization Right to Use Assets (Enter a negative, or credit, balance)	\$ (323,109)	\$ (650)	\$ -	\$ (323,759)
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ 6,169	\$ (650)	\$ -	\$ 5,519
TOTAL	\$ 6,169	\$ (650)	\$ -	\$ 5,519

* Must agree to the year-end balance. A generally capital asset additions that do not meet the criteria for capital assets on line 3-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy.

PART 7 - PENSION INFORMATION

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

- 7-1 Does the entity have an "old hire" firefighter's pension plan? Yes No
- 7-2 Who administers the plan? Yes No
 If yes, indicate the contributions from:
 Tax (property, SO, sales, etc.): \$ -
 State contribution amount: \$ -
 Other (gifts, donations, etc.): \$ -
- What is the monthly benefit paid for 20 years of service per retiree as of Jan 1? Yes No
TOTAL \$ -

Please use this space to provide any explanations or comments

PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box.

- 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: 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 appropriated for each fund separately for the year reported (Please make sure each individual fund's appropriation agrees to how the budget was adopted. Do not combine funds)

Governmental/Proprietary Fund Name	Total Appropriations By Fund
ENTERPRISE FUND	\$ 1,670,554
	\$ -
	\$ -
	\$ -

Please use this space to provide any explanations or comments

PART 9 - TAX PAYER'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(a)]? Yes No N/A

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

Please use this space to provide any explanations or comments

PART 10 - GENERAL INFORMATION

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

- 10-1 Is this application for a newly formed governmental entity? Yes No
- If yes: Date of formation: _____
- 10-2 Has the entity changed its name in the past or current year? Yes No
- If yes: Please list the NEW name: _____
- Please list the PRIOR name: _____
- 10-3 Is the entity a metropolitan district? Yes No
- Please indicate what services the entity provides: _____
- 10-4 DISTRIBUTION OF PRE-TREATED WATER, SYSTEM MAINTENANCE, BILLING & ACCOUNTING
- 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: _____
- CITY OF LAFAYETTE - PROVIDES WATER TO THE DISTRICT FOR RESALE
- 10-6 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: _____
- 10-7 Does the entity have a certified mill levy? Yes No N/A
- If yes: Please provide the number of mills levied for the year reported (do not report \$ amounts): _____
- Bond redemption mills: _____
- General/other mills: _____
- | | |
|-------------|-------------------------------------|
| Total mills | 1.351 |
| Yes | <input type="checkbox"/> |
| No | <input type="checkbox"/> |
| N/A | <input checked="" type="checkbox"/> |

Please use this space to provide any explanations or comments

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

- 10-8 If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-282 [Section 32-1-207 C.R.S.]? If NO, please explain.

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

A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2024 FOR THE **BASELINE WATER DISTRICT**, STATE OF COLORADO.

WHEREAS, the Board of Directors of Baseline Water 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 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 Baseline Water District exceeded \$750,000 for Fiscal Year 2024; and

WHEREAS, an application for exemption from audit for Baseline Water District has been prepared by David L. Schwenke, CPA, an independent accountant with knowledge of governmental accounting; and

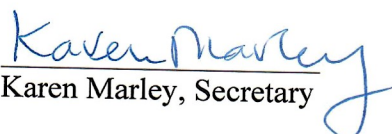
WHEREAS, said application for exemption from audit has been completed in accordance with regulations issued by the State Auditor.

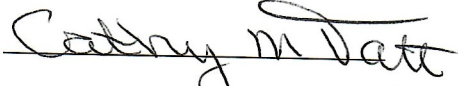

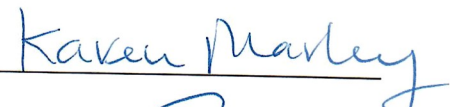
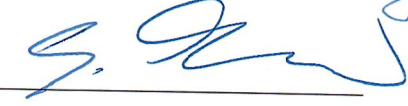
NOW THEREFORE, be it resolved/ordained by the Board of Directors of the Baseline Water District that the application for exemption from audit for Baseline Water District for the Fiscal Year ended December 31, 2024, has been personally reviewed and is hereby approved by a majority of the Board of Directors of the Baseline Water 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 Baseline Water District for the fiscal year ended December 31, 2024 .

ADOPTED THIS 10th day of February, 2025


Cathy Tate, Chairman

ATTEST:


Karen Marley, Secretary

<u>Members of Governing Body</u>	<u>Date Term Expires</u>	<u>Signature</u>
Cathy Tate	May, 2025	
Arthur Gabriel	May, 2027	
Karen Marley	May, 2025	
Steve Gibson	May, 2027	
Robert Haas	May, 2025	