APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT	Munn's Addition Water & Sanitation District	For the Year Ended 12/31/24 or fiscal year ended:
ADDRESS	c/o Zorn & Richardson, P.C.	
	626 E. Platte Ave.	
	Fort Morgan, CO 80701	
CONTACT PERSON	Matthew J. Richardson	
PHONE	970-867-1199	
EMAIL	mjrichardson@zornlawoffice.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

NAME:	Matthew J. Richardson
TITLE	Attorney
FIRM NAME (if applicable)	Zorn & Richardson, P.C.
ADDRESS	626 E. Platte Ave., Fort Morgan, CO 80701
PHONE	970-867-1199

PREPARER (SIGNATURE REQUIRED)	DATE PREPARED (No exemption shall be granted prior to the close of said fiscal year)
s/Matthew J. Richardson	3/3/2025

	GOVERNMENTAL	PROPRIETARY
Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	☑	☐

PART 2 - REVENUES

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 the nearest dollar	Please use this space to provide any necessary explanations
2-1	Taxes:	Property	(report mills levied in question 10-7)	$ -	
2-2		Specific ownership		$ -	
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			$ 4,500	
2-13	Investment income			$ -	
2-14	Charges for utility services			$ -	
2-15	Debt proceeds		(should agree to table 4-4, column 'Issued during year')	$ -	
2-16	Lease proceeds			$ -	
2-17	Developer Advances received		(should agree to table 4-4, column 'Issued during year')	$ -	
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		$ -
2-25		$ -
2-26	(add lines 2-1 through 2-25) TOTAL REVENUES	$ 4,500

PART 3 - EXPENDITURES/EXPENSES

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 the nearest dollar	Please use this space to provide any necessary explanations
3-1	Administrative		$ -	
3-2	Salaries		$ -	
3-3	Payroll taxes		$ -	
3-4	Contract services		$ -	
3-5	Employee benefits		$ -	
3-6	Insurance		$ 1,200	
3-7	Accounting and legal fees		$ 890	
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 to table 4-4, column 'Retired during year')	$ -	
3-18	Debt service interest		$ -	
3-19	Repayment of Developer Advance Principal	(should agree to table 4-4, column 'Retired during year')	$ -	
3-20	Repayment of Developer Advance Interest		$ -	
3-21	Contribution to pension plan		$ -	
3-22	Contribution to Fire & Police Pension Assoc.		$ -	
3-23	Other (specify):		$ -	
3-24			$ -	
3-25			$ -	
3-26			$ -	
3-27			$ -	
3-28	(add lines 3-1 through 3-27) TOTAL EXPENDITURES/EXPENSES		$ 2,090	

If TOTAL REVENUES (Line 2-26) or TOTAL EXPENDITURES (Line 3-28) are GREATER than $100,000 - **STOP**.

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' is checked, 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 amounts 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 & SBITA** Liabilities [GASB 87 & 96]	$ -	$ -	$ -	$ -
Developer Advances	$ -	$ -	$ -	$ -
Other (specify):	$ -	$ -	$ -	$ -
TOTAL	$ -	$ -	$ -	$ -

**Subscription-Based Information Technology Arrangements

*Must agree to prior year-end balance

	Please answer the following questions by marking the appropriate boxes.		Yes	No
4-5	Does the entity have any authorized but unissued debt as of its fiscal year-end?		☐	☑
	How much?	$ -		
	Date the debt was authorized:			
NEW 4-6	Is the authorized but unissued debt further limited by the entity's most recent Service Plan?		☐	☑
If yes:	How much?	$ -		
	Date of the most recent Service Plan:			
4-7	Does the entity intend to issue debt within the next calendar year?		☐	☑
If yes:	How much?	$ -		
4-8	Does the entity have debt that has been refinanced that it is still responsible for?		☐	☑
If yes:	What is the amount outstanding?	$ -		
4-9	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?	$ -		

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	$ 6,695	
5-2	Certificates of deposit	$ -	
	TOTAL CASH DEPOSITS		$ 6,695
5-3	Investments (if investment is a mutual fund, please list underlying investments):		
		$ -	
		$ -	
		$ -	
		$ -	
	TOTAL INVESTMENTS		$ -
	TOTAL CASH AND INVESTMENTS		$ 6,695

	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.)?	☑	☐	☐

Part 5 - 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? *(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:	☐	☐

6-3

Complete the following capital & right-to-use assets table:	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	$ -	$ -	$ -	$ -
Other (explain):	$ -	$ -	$ -	$ -
Accumulated Depreciation/Amortization	$ -	$ -	$ -	$ -
TOTAL	$ -	$ -	$ -	$ -

*Must agree to prior year-end balance

^Generally capital asset additions should be reported as capital outlay on line 3-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy

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?	☐	☑
7-2	Does the entity have a volunteer firefighters' 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 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:	☑	☐	☐
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 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

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 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 this requirement of TABOR.

Part 9 - If no, MUST use this space to provide any explanations

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:		
10-2	Has the entity changed its name in the past or current year?	☐	☑
If yes:	Please list the NEW name:		
	Please list the PRIOR name:		
10-3	Is the entity a metropolitan district?	☐	☑
10-4	Please indicate what services the entity provides:		
10-5	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: The City of Brush, Colorado manages the operation and repair of sewer lines and equipment, pursuant to an agrement between the City and the District dated 1/8/1984.		
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.]	☐	☑
If yes:	Date filed:		
10-7	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	-

		Yes	No	N/A
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 21-262 [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

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box.		Yes	No
11-1	If you plan to submit this form electronically, have you read the Electronic Signature Policy?	☑	☐

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signature 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

• 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 two 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 or type the names of <u>ALL</u> members of current governing body below.
A <u>MAJORITY</u> of the members of the governing body must sign below.

Board Member 1

Board Member's Name: Carl E. Hutson — Carl E Hutson Jr

I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.

Signature: Carl E Hutson

Date: 7-7-25

My term expires: 2025

Board Member 2

Board Member's Name: Wanda Blake — Wanda Blake

I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.

Signature: Wanda Blake

Date: 7/7/25

My term expires: 2025

Board Member 3

Board Member's Name: Maureen Walker — Maureen Walker

I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.

Signature ____________________

Date ____________________

My term expires: 2025

Board Member's Name: Dennis Smith — Dennis L. Smith

I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.

Board Member 4

Signature ______________________

Date ______________________

My term expires: 2027

Board Member's Name: Nancy Metzger

Nancy Metzger

I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.

Board Member 5

Signature Nancy Metzger

Date 7-7-25

My term expires: 2027

Board Member's Name: ______________________

I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.

Board Member 6

Signature ______________________

Date ______________________

My term expires: ______________________

Board Member's Name: ______________________

I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.

Board Member 7

Signature ______________________

Date ______________________

My term expires: ______________________

RESOLUTION 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 MUNN'S ADDITION WATER AND SANITATION DISTRICT, STATE OF COLORADO.

WHEREAS, the Board of Directors of Munn's Addition Water and Sanitation District wishes to claim exemption from the audit requirements of Section 29-1-604, 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 29-1-604, C.R.S.; and

WHEREAS, neither revenue nor expenditures for Munn's Addition Water and Sanitation District exceed $100,000 for the Fiscal Year 2024; and

WHEREAS, an application for exempt from audit for Munn's Addition Water and Sanitation District has been prepared by Matthew J. Richardson of Zorn & Richardson, P.C., a person skilled 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 by the Board of Directors of the Munn's Addition Water and Sanitation District that the application for exemption from audit for the Munn's Addition Water and Sanitation 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 Munn's Addition 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 Munn's Addition Water and Sanitation District for the fiscal year ended December 31, 2023.

ADOPTED THIS 3rd day of March, A.D. 2025.

Carl E Hiles
President

Wanda Blake
Secretary

Type or Print Names of Date

Members of Governing Body	Term Expires	Signature
Carl Hutson	2025	Carl Hutson
Wanda Blake	2025	Wanda Blake
Verna Kittelman	2027	
Dennis Smith	2027	Dennis L. Smith
Nancy Metzger	2027	