

# 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.

If your local government has either revenues or expenditures of LESS than \$100,000, use the SHORT FORM.

### 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.

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.

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

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

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

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

### 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 new Electronic Signature Policy? See new [here](#) policy
- or--
- 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 new [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.

[OSA LG Web Portal](#)

### FILING METHODS

#### NEW METHOD!

**WEB PORTAL:** Register and submit your Applications at our new portal: <https://apps.leg.co.gov/osa/lg>

**MAIL:** Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203

**QUESTIONS?** Email: [osa.lg@coleg.gov](mailto: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 -- 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

Chatfield Corners Metropolitan District
c/o Marchetti & Weaver, LLC
28 Second, St, Suite 213
Edwards, CO 81632
Beth Johnston
970.926.6060
bethj@mwcpaa.com

For the Year Ended  
12/31/2022  
or fiscal year ended:

CONTACT PERSON  
PHONE  
EMAIL

### 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 expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

NAME:	Kenneth Marchetti
TITLE	Principal/CPA
FIRM NAME (if applicable)	Marchetti & Weaver, LLC
ADDRESS	28 2nd St, Unit 213, Edwards, CO 81632
PHONE	(970) 926-6060
DATE PREPARED	2/13/2023
RELATIONSHIP TO ENTITY	Outside Accountant, all major decisions made by the Board of Directors

**PREPARER** (SIGNATURE REQUIRED)

K Marchetti

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 (9.3) and 32-1-104 (3), C.R.S.]

YES	NO	If Yes, date filed:
<input type="checkbox"/>	<input checked="" type="checkbox"/>	

## PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

\* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Debt Service Fund*		Water Fund*	Fund*	
<b>Assets</b>				<b>Assets</b>			
1-1	Cash & Cash Equivalents	\$ 327,554	\$ -	Cash & Cash Equivalents	\$ -	\$ -	
1-2	Investments	\$ 309,787	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ 413	\$ 691	Receivables	\$ 6,332	\$ -	
1-4	Due from Other Entities or Funds	\$ (298,208)	\$ 64,077	Due from Other Entities or Funds	\$ -	\$ -	
1-5	Property Tax Receivable	\$ 105,302	\$ 179,836	Other Current Assets [specify...]			
	All Other Assets [specify...]			Due from Other Funds	\$ 234,131	\$ -	
1-6	Lease Receivable (as Lessor)	\$ -	\$ -	<b>Total Current Assets</b>	\$ 240,463	\$ -	
1-7	Prepaid Expenses	\$ 4,659	\$ -	Capital & Right to Use Assets, net (from Part 6-4)	\$ 57,261	\$ -	
1-8		\$ -	\$ -	Other Long Term Assets [specify...]	\$ -	\$ -	
1-9		\$ -	\$ -		\$ -	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	\$ 449,507	\$ 244,604	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	\$ 297,724	\$ -	
<b>Deferred Outflows of Resources:</b>				<b>Deferred Outflows of Resources</b>			
1-12	[specify...]	\$ -	\$ -	[specify...]	\$ -	\$ -	
1-13	[specify...]	\$ -	\$ -	[specify...]	\$ -	\$ -	
1-14	(add lines 1-12 through 1-13) <b>TOTAL DEFERRED OUTFLOWS</b>	\$ -	\$ -	(add lines 1-12 through 1-13) <b>TOTAL DEFERRED OUTFLOWS</b>	\$ -	\$ -	
1-15	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ 449,507	\$ 244,604	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ 297,724	\$ -	
<b>Liabilities</b>				<b>Liabilities</b>			
1-16	Accounts Payable	\$ 12,209	\$ -	Accounts Payable	\$ -	\$ -	
1-17	Accrued Payroll and Related Liabilities	\$ 138	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -	
1-18	Unearned Property Tax Revenue	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -	
1-19	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -	
1-20	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -	
1-21	(add lines 1-16 through 1-20) <b>TOTAL CURRENT LIABILITIES</b>	\$ 12,347	\$ -	(add lines 1-16 through 1-20) <b>TOTAL CURRENT LIABILITIES</b>	\$ -	\$ -	
1-22	All Other Liabilities [specify...]	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -	
1-23	HOA Deposits	\$ 25,800	\$ -	Other Liabilities [specify...]:	\$ -	\$ -	
1-24		\$ -	\$ -		\$ -	\$ -	
1-25		\$ -	\$ -		\$ -	\$ -	
1-26		\$ -	\$ -		\$ -	\$ -	
1-27	(add lines 1-21 through 1-26) <b>TOTAL LIABILITIES</b>	\$ 38,147	\$ -	(add lines 1-21 through 1-26) <b>TOTAL LIABILITIES</b>	\$ -	\$ -	
<b>Deferred Inflows of Resources:</b>				<b>Deferred Inflows of Resources</b>			
1-28	Deferred Property Taxes	\$ 105,302	\$ 179,836	Pension/OPEB Related	\$ -	\$ -	
1-29	Lease related (as lessor)	\$ -	\$ -	Other [specify ]	\$ -	\$ -	
1-30	(add lines 1-28 through 1-29) <b>TOTAL DEFERRED INFLOWS</b>	\$ 105,302	\$ 179,836	(add lines 1-28 through 1-29) <b>TOTAL DEFERRED INFLOWS</b>	\$ -	\$ -	
<b>Fund Balance</b>				<b>Net Position</b>			
1-31	Nonspendable Prepaid	\$ 4,659	\$ -	Net Investment in Capital Assets	\$ 57,261	\$ -	
1-32	Nonspendable Inventory	\$ -	\$ -				
1-33	Restricted [specify...] TABOR	\$ 3,596	\$ -	Emergency Reserves	\$ 4,399	\$ -	
1-34	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ 178,803	\$ -	
1-35	Assigned [specify...] Debt Service	\$ -	\$ 64,768	Restricted	\$ -	\$ -	
1-36	Unassigned:	\$ 297,803	\$ -	Undesignated/Unreserved/Unrestricted	\$ 57,261	\$ -	
1-37	Add lines 1-31 through 1-36 This total should be the same as line 3-33 <b>TOTAL FUND BALANCE</b>	\$ 306,058	\$ 64,768	Add lines 1-31 through 1-36 This total should be the same as line 3-33 <b>TOTAL NET POSITION</b>	\$ 297,724	\$ -	
1-38	Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	\$ 449,507	\$ 244,604	Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	\$ 297,724	\$ -	

**PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES**

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Debt Service Fund*		Water Fund*	Fund*	
<b>Tax Revenue</b>				<b>Tax Revenue</b>			
2-1	Property (include mills levied in Question 10-6)	\$ 105,030	\$ 175,850	Property (include mills levied in Question 10-6)	\$ -	\$ -	
2-2	Specific Ownership	\$ 5,669	\$ 9,491	Specific Ownership	\$ -	\$ -	
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -	
2-4	Other Tax Revenue (specify...):	\$ -	\$ -	Other Tax Revenue (specify...):	\$ -	\$ -	
2-5		\$ -	\$ -		\$ -	\$ -	
2-6		\$ -	\$ -		\$ -	\$ -	
2-7		\$ -	\$ -		\$ -	\$ -	
2-8	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ 110,699	\$ 185,341	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ -	\$ -	
2-9	Licenses and Permits	\$ -	\$ -	Licenses and Permits	\$ -	\$ -	
2-10	Highway Users Tax Funds (HUTF)	\$ -	\$ -	Highway Users Tax Funds (HUTF)	\$ -	\$ -	
2-11	Conservation Trust Funds (Lottery)	\$ -	\$ -	Conservation Trust Funds (Lottery)	\$ -	\$ -	
2-12	Community Development Block Grant	\$ -	\$ -	Community Development Block Grant	\$ -	\$ -	
2-13	Fire & Police Pension	\$ -	\$ -	Fire & Police Pension	\$ -	\$ -	
2-14	Grants	\$ -	\$ -	Grants	\$ -	\$ -	
2-15	Donations	\$ -	\$ -	Donations	\$ -	\$ -	
2-16	Charges for Sales and Services	\$ 2,703	\$ -	Charges for Sales and Services	\$ 85,260	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ 6,458	\$ 3,291	Interest/Investment Income	\$ 5,350	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ 1,500	\$ -	
2-21	Proceeds from Sale of Capital Assets	\$ -	\$ -	Proceeds from Sale of Capital Assets	\$ -	\$ -	
2-22	All Other (specify...):	\$ -	\$ -	All Other (specify...):	\$ -	\$ -	
2-23		\$ -	\$ -		\$ -	\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 119,860	\$ 188,632	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 92,110	\$ -	
<b>Other Financing Sources</b>				<b>Other Financing Sources</b>			
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -	
2-26	Lease Proceeds	\$ -	\$ -	Lease Proceeds	\$ -	\$ -	
2-27	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -	
2-28	Other (specify...):	\$ -	\$ -	Other (specify...):	\$ -	\$ -	
2-29	Add lines 2-25 through 2-28 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	Add lines 2-25 through 2-28 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	<b>GRAND TOTALS</b>
2-30	Add lines 2-24 and 2-29 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 119,860	\$ 188,632	Add lines 2-24 and 2-29 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 92,110	\$ -	\$ 400,602

IF GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES for all funds (Line 2-29) are GREATER 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) 869-3000 for assistance.

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

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Debt Service Fund*		Water Fund*	Fund*	
<b>Expenditures</b>				<b>Expenses</b>			
3-1	General Government	\$ 46,571	\$ 5,279	General Operating & Administrative	\$ 40,553	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ 37,280	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ -	\$ -	
3-10	Transfers to other districts	\$ -	\$ -	Utilities	\$ 10,151	\$ -	
3-11	Other [specify...]:	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12	Parks & Open Space	\$ 41,958	\$ -	Other [specify...]	\$ -	\$ -	
3-13		\$ -	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal (should match amount in 4-4)	\$ -	\$ 125,000	Principal (should match amount in 4-4)	\$ -	\$ -	
3-16	Interest	\$ -	\$ 50,850	Interest	\$ -	\$ -	
3-17	Bond Issuance Costs	\$ -	\$ -	Bond Issuance Costs	\$ -	\$ -	
3-18	Developer Principal Repayments	\$ -	\$ -	Developer Principal Repayments	\$ -	\$ -	
3-19	Developer Interest Repayments	\$ -	\$ -	Developer Interest Repayments	\$ -	\$ -	
3-20	All Other [specify...]:	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -	
3-21		\$ -	\$ -		\$ -	\$ -	
3-22	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 88,529	\$ 181,129	Add lines 3-1 through 3-21 TOTAL EXPENSES	\$ 87,984	\$ -	\$ 357,642
3-23	Interfund Transfers (in)	\$ (4,212)	\$ -	Net Interfund Transfers (In) Out	\$ -	\$ -	
3-24	Interfund Transfers out	\$ -	\$ 4,212	Other [specify...][enter negative for expense]	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation/Amortization	\$ 15,918	\$ -	
3-26		\$ -	\$ -	Other Financing Sources (Uses) (from line 2-28)	\$ -	\$ -	
3-27		\$ -	\$ -	Capital Outlay (from line 3-14)	\$ -	\$ -	
3-28		\$ -	\$ -	Debt Principal (from line 3-15, 3-18)	\$ -	\$ -	
3-29	(Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES	\$ (4,212)	\$ 4,212	(Line 3-27, plus line 3-28, less line 3-26, less line 3-25, plus line 3-24) TOTAL GAAP RECONCILING ITEMS	\$ (15,918)	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, less line 3-29	\$ 35,543	\$ 3,291	Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, less line 3-23	\$ (11,792)	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ 270,515	\$ 61,477	Net Position, January 1 from December 31 prior year report	\$ 309,516	\$ -	
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	Prior Period Adjustment (MUST explain)	\$ -	\$ -	
3-33	Fund Balance, December 31 Sum of Lines 3-30, 3-31, and 3-32 This total should be the same as line 1-37.	\$ 306,058	\$ 64,768	Net Position, December 31 Sum of Lines 3-30, 3-31, and 3-32 This total should be the same as line 1-37.	\$ 297,724	\$ -	

IF GRAND TOTAL EXPENDITURES for all funds (Line 3-22) are GREATER 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) 869-3000 for assistance.

## PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

YES                      NO

Please use this space to provide any explanations or comments:

- 4-1 Does the entity have outstanding debt?  YES                       NO
- 4-2 Is the debt repayment schedule attached? If no, MUST explain:  YES                       NO

4-5 Per Colorado State Statute, authorized debt goes stale 20 years after it is authorized. Per this provision, the District's unauthorized debt went stale as of May 2022.

- 4-3 Is the entity current in its debt service payments? If no, MUST explain:  YES                       NO

4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)

	Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ 2,260,000	\$ -	\$ 125,000	\$ 2,135,000
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Lease Liabilities	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 2,260,000	\$ -	\$ 125,000	\$ 2,135,000

\*must agree 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 [Section 29-1-605(2) C.R.S.]?  YES                       NO
- If yes: How much? \$ -
- Date the debt was authorized: \_\_\_\_\_
- 4-6 Does the entity intend to issue debt within the next calendar year?  YES                       NO
- If yes: How much? \$ -
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for?  YES                       NO
- If yes: What is the amount outstanding? \$ -
- 4-8 Does the entity have any lease agreements?  YES                       NO
- 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?  YES                       NO
- What are the annual lease payments? \$ -

## PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

AMOUNT                      TOTAL

Please use this space to provide any explanations or comments:

5-1	YEAR-END Total of ALL Checking and Savings accounts	\$ 327,554	
5-2	Certificates of deposit	\$ 309,787	
TOTAL CASH DEPOSITS			\$ 637,341
Investments (if investment is a mutual fund, please list underlying investments):			
5-3		\$ -	
		\$ -	
		\$ -	
		\$ -	
TOTAL INVESTMENTS			\$ -
TOTAL CASH AND INVESTMENTS			\$ 637,341

Please answer the following question by marking in the appropriate box

YES                      NO                      N/A

- 5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?  YES                       NO                       N/A
- 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 explain:  YES                       NO                       N/A

## PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following question by marking in the appropriate box YES NO Please use this space to provide any explanations or comments:

- 6-1 Does the entity have capitalized 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 for GOVERNMENTAL FUNDS:

	Balance - beginning of the year <sup>1</sup>	Additions <sup>2</sup>	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Intangible Assets	\$ -	\$ -	\$ -	\$ -
Other (explain): Parks & Open Space	\$ 485,493	\$ -	\$ -	\$ 485,493
Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (344,120)	\$ (23,467)	\$ -	\$ (367,587)
<b>TOTAL</b>	<b>\$ 141,373</b>	<b>\$ (23,467)</b>	<b>\$ -</b>	<b>\$ 117,906</b>

6-4 Complete the following Capital & Right-To-Use Assets table for PROPRIETARY FUNDS:

	Balance - beginning of the year* <sup>1</sup>	Additions	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 354,585	\$ -	\$ -	\$ 354,585
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Intangible Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (281,406)	\$ (15,918)	\$ -	\$ (297,324)
<b>TOTAL</b>	<b>\$ 73,179</b>	<b>\$ (15,918)</b>	<b>\$ -</b>	<b>\$ 57,261</b>

\* Must agree to prior year-end balance  
 - Generally capital asset additions should be reported at capital outlay on line 3-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy

## PART 7 - PENSION INFORMATION

YES NO Please use this space to provide any explanations or comments:

- 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? \$ -

## PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box	YES	NO	N/A	
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:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Please use this space to provide any explanations or comments:
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"/>	
If yes: Please indicate the amount appropriated for each fund separately for the year reported				
Governmental/Proprietary Fund Name	Total Appropriations By Fund			
General	\$	120,370		
Debt Service	\$	185,763		
Water	\$	152,479		
	\$	-		

## PART 9 - TAX PAYER'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)]?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Please use this space to provide any explanations or comments:
<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>			

## PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box	YES	NO	
10-1 Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Please use this space to provide any explanations or comments:
If yes: Date of formation: <input style="width: 150px; height: 30px;" type="text"/>			
10-2 Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Please use this space to provide any explanations or comments:
If Yes: NEW name <input style="width: 350px; height: 25px;" type="text"/> PRIOR name <input style="width: 350px; height: 25px;" type="text"/>			
10-3 Is the entity a metropolitan district?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Please use this space to provide any explanations or comments:
10-4 Please indicate what services the entity provides:	<input checked="" type="checkbox"/>		
<input style="width: 400px; height: 15px;" type="text" value="Parks &amp; recreation, streets, safety protection, water, sanitation, mosquito control, design review &amp; covenant enforcement"/>			Please use this space to provide any explanations or comments:
10-5 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:			Please use this space to provide any explanations or comments:
<input style="width: 400px; height: 15px;" type="text" value="Town of Gypsum - irrigation water lease and irrigation water billing services"/>			
10-6 Does the entity have a certified mill levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Please use this space to provide any explanations or comments:
If yes: Please provide the number of mills levied for the year reported (do not enter \$ amounts):			
	Bond Redemption mills	<input style="width: 50px;" type="text" value="21.327"/>	Please use this space to provide any explanations or comments:
	General/Other mills	<input style="width: 50px;" type="text" value="12.738"/>	
	Total mills	<input style="width: 50px;" type="text" value="34.065"/>	

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



**OSA USE ONLY**

<b>Entity Wide:</b>		<b>General Fund</b>		<b>Governmental Funds</b>		<b>Notes</b>			
Unrestricted Cash & Investments	\$	637,341	Unrestricted Fund Balan	\$	297,803	Total Tax Revenue	\$	296,040	
Current Liabilities	\$	12,347	Total Fund Balance	\$	306,058	Revenue Paying Debt Service	\$	188,632	
Deferred Inflow	\$	285,138	PY Fund Balance	\$	270,515	Total Revenue	\$	308,492	
			Total Revenue	\$	119,860	Total Debt Service Principal	\$	125,000	
			Total Expenditures	\$	88,529	Total Debt Service Interest	\$	50,850	
<b>Governmental</b>			Interfund In	\$	(4,212)				
Total Cash & Investments	\$	637,341	Interfund Out	\$	-	<b>Enterprise Funds</b>			
Transfers In	\$	-	- Proprietary	\$	-	Net Position	\$	297,724	
Transfers Out	\$	-	- Current Assets	\$	240,463	PY Net Position	\$	309,516	
Property Tax	\$	280,880	Deferred Outflow	\$	-	- <b>Government-Wide</b>			
Debt Service Principal	\$	125,000	Current Liabilities	\$	-	- Total Outstanding Debt	\$	2,135,000	
Total Expenditures	\$	269,658	Deferred Inflow	\$	-	- Authorized but Unissued	\$	-	
Total Developer Advances	\$	-	- Cash & Investments	\$	-	- Year Authorized		1/0/1900	
Total Developer Repayments	\$	-	- Principal Expense	\$	-				

**PART 12 - 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 Procedures**

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.

Below is the certification and approval of the governing body. By signing, each individual member is certifying they are a duly elected or appointed officer of the local government. Governing members may be verified. Also by signing, the individual member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$750,000 or less must have an application prepared by an independent accountant with knowledge of governmental accounting, completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of ALL members of the governing body below.		A MAJORITY of the members of the governing body must complete and sign in the column below.	
#	Full Name	Signature	Date
1	Grant Murphy	I, Grant Murphy, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> My term Expires: <u>May 2025</u>	Date: <u>3/2/23</u>
2	David Barton	I, David Barton, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> My term Expires: <u>May 2023</u>	Date: <u>3/2/23</u>
3	Dean Callis	I, Dean Callis, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> My term Expires: <u>May 2025</u>	Date: <u>3/2/23</u>
4	James Werkmeister	I, James Werkmeister, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> My term Expires: <u>May 2025</u>	Date: <u>3-2-23</u>
5	Michael Humphrey	I, Michael Humphrey, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ My term Expires: <u>May 2023</u>	Date: _____
6	n/a	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ My term Expires: _____	Date: _____
7	n/a	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ My term Expires: _____	Date: _____