



INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Empower Community High School

Management is responsible for the accompanying financial statements of Empower Community High School (a Colorado local government), which comprise the balance sheet as of June 30, 2019, and the related operating statement for the year then ended, included in the accompanying prescribed form in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements included in the accompanying prescribed form.

Other Matter

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the Colorado State Auditor, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

Hoelting & Company, Inc.

Colorado Springs, Colorado
September 25, 2019

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 via Fax or Email?
 - If yes, have you read and understand the new Electronic Signature Policy? See [here](#) new 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?

New for 2018: 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

FAX: 303-869-3061

EMAIL: osa.lg@state.co.us

QUESTIONS? 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

Empower Community High School
450 S Chambers Rd
Aurora, CO 80017

For the Year Ended
12/31/2018
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

Wisdom Amouzou
303-748-1463
wisdom@empowerhighschool.org

6/30/2019

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:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED
RELATIONSHIP TO ENTITY

Thomas G. Sistare
Shareholder
Hoelting & Company, Inc.
31 East Platte Avenue, Suite 300, Colorado Springs, CO 80903
(719) 630-1091
September 25, 2019
We provide services to the School as independent Certified Public Accountants.

PREPARER (SIGNATURE REQUIRED)



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 | Fund* | | Fund* | Fund* | |
| Assets | | | | Assets | | | |
| 1-1 | Cash & Cash Equivalents | \$ 603,221 | \$ - | Cash & Cash Equivalents | \$ - | \$ - | |
| 1-2 | Investments | \$ - | \$ - | Investments | \$ - | \$ - | |
| 1-3 | Receivables | \$ 26,887 | \$ - | Receivables | \$ - | \$ - | |
| 1-4 | Due from Other Entities or Funds | \$ - | \$ - | Due from Other Entities or Funds | \$ - | \$ - | |
| | All Other Assets [Security Deposits] | \$ 47,475 | \$ - | Other Current Assets | \$ - | \$ - | |
| 1-5 | | \$ - | \$ - | Total Current Assets | \$ - | \$ - | |
| 1-6 | | \$ - | \$ - | Capital Assets, net (from Part 6-4) | \$ - | \$ - | |
| 1-7 | | \$ - | \$ - | Other Long Term Assets [specify...] | \$ - | \$ - | |
| 1-8 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-9 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-10 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-11 | (add lines 1-1 through 1-10) TOTAL ASSETS | \$ 677,583 | \$ - | (add lines 1-1 through 1-10) TOTAL ASSETS | \$ - | \$ - | |
| 1-12 | TOTAL DEFERRED OUTFLOWS OF RESOURCES | \$ - | \$ - | TOTAL DEFERRED OUTFLOWS OF RESOURCES | \$ - | \$ - | |
| 1-13 | TOTAL ASSETS AND DEFERRED OUTFLOWS | \$ 677,583 | \$ - | TOTAL ASSETS AND DEFERRED OUTFLOWS | \$ - | \$ - | |
| Liabilities | | | | Liabilities | | | |
| 1-14 | Accounts Payable | \$ 62,249 | \$ - | Accounts Payable | \$ - | \$ - | |
| 1-15 | Accrued Payroll and Related Liabilities | \$ 4,044 | \$ - | Accrued Payroll and Related Liabilities | \$ - | \$ - | |
| 1-16 | Accrued Interest Payable | \$ - | \$ - | Accrued Interest Payable | \$ - | \$ - | |
| 1-17 | Due to Other Entities or Funds | \$ - | \$ - | Due to Other Entities or Funds | \$ - | \$ - | |
| 1-18 | All Other Current Liabilities | \$ - | \$ - | All Other Current Liabilities | \$ - | \$ - | |
| 1-19 | TOTAL CURRENT LIABILITIES | \$ 66,293 | \$ - | TOTAL CURRENT LIABILITIES | \$ - | \$ - | |
| 1-20 | All Other Liabilities [specify...] | \$ - | \$ - | Proprietary Debt Outstanding (from Part 4-4) | \$ - | \$ - | |
| 1-21 | Unearned revenue | \$ 535,120 | \$ - | Other Liabilities [specify...]: | \$ - | \$ - | |
| 1-22 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-23 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-24 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-25 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-26 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-27 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-28 | (add lines 1-19 through 1-27) TOTAL LIABILITIES | \$ 601,413 | \$ - | (add lines 1-19 through 1-27) TOTAL LIABILITIES | \$ - | \$ - | |
| 1-29 | TOTAL DEFERRED INFLOWS OF RESOURCES | \$ - | \$ - | TOTAL DEFERRED INFLOWS OF RESOURCES | \$ - | \$ - | |
| Fund Balance | | | | Net Position | | | |
| 1-30 | Nonspendable Prepaid | \$ - | \$ - | Net Investment in Capital Assets | \$ - | \$ - | |
| 1-31 | Nonspendable Inventory | \$ - | \$ - | | | | |
| 1-32 | Restricted [Emergencies] | \$ - | \$ - | Emergency Reserves | \$ - | \$ - | |
| 1-33 | Committed [specify...] | \$ - | \$ - | Other Designations/Reserves | \$ - | \$ - | |
| 1-34 | Assigned [specify...] | \$ - | \$ - | Restricted | \$ - | \$ - | |
| 1-35 | Unassigned: | \$ 76,170 | \$ - | Undesignated/Unreserved/Unrestricted | \$ - | \$ - | |
| 1-36 | Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL FUND BALANCE | \$ 76,170 | \$ - | Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL NET POSITION | \$ - | \$ - | |
| 1-37 | Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE | \$ 677,583 | \$ - | Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION | \$ - | \$ - | |

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 | Fund* | | Fund* | Fund* | |
| | Tax Revenue | | | Tax Revenue | | | |
| 2-1 | Property [include mills levied in Question 10-6] | \$ - | \$ - | Property [include mills levied in Question 10-6] | \$ - | \$ - | |
| 2-2 | Specific Ownership | \$ - | \$ - | 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 | \$ - | \$ - | 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 | \$ 479,493 | \$ - | Grants | \$ - | \$ - | |
| 2-15 | Donations | \$ 23 | \$ - | Donations | \$ - | \$ - | |
| 2-16 | Charges for Sales and Services | \$ - | \$ - | Charges for Sales and Services | \$ - | \$ - | |
| 2-17 | Rental Income | \$ - | \$ - | Rental Income | \$ - | \$ - | |
| 2-18 | Fines and Forfeits | \$ - | \$ - | Fines and Forfeits | \$ - | \$ - | |
| 2-19 | Interest/Investment Income | \$ - | \$ - | Interest/Investment Income | \$ - | \$ - | |
| 2-20 | Tap Fees | \$ - | \$ - | Tap Fees | \$ - | \$ - | |
| 2-21 | Proceeds from Sale of Capital Assets | \$ - | \$ - | Proceeds from Sale of Capital Assets | \$ - | \$ - | |
| 2-22 | All Other [Fees]: | \$ 420 | \$ - | All Other [specify...]: | \$ - | \$ - | |
| 2-23 | | \$ - | \$ - | | \$ - | \$ - | |
| 2-24 | Add lines 2-8 through 2-23 TOTAL REVENUES | \$ 479,936 | \$ - | Add lines 2-8 through 2-23 TOTAL REVENUES | \$ - | \$ - | |
| | Other Financing Sources | | | Other Financing Sources | | | |
| 2-25 | Debt Proceeds | \$ 150,000 | \$ - | Debt Proceeds | \$ - | \$ - | |
| 2-26 | Developer Advances | \$ - | \$ - | Developer Advances | \$ - | \$ - | |
| 2-27 | Other [specify...]: | \$ - | \$ - | Other [specify...]: | \$ - | \$ - | |
| 2-28 | Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES | \$ 150,000 | \$ - | Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES | \$ - | \$ - | GRAND TOTALS |
| 2-29 | Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES | \$ 629,936 | \$ - | Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES | \$ - | \$ - | \$ 629,936 |

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 | Fund* | | Fund* | Fund* | |
| | Expenditures | | | Expenses | | | |
| 3-1 | General Government | \$ 479,507 | \$ - | General Operating & Administrative | \$ - | \$ - | |
| 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 | \$ - | \$ - | |
| 3-9 | Culture and Recreation | \$ - | \$ - | Supplies | \$ - | \$ - | |
| 3-10 | Transfers to other districts | \$ - | \$ - | Utilities | \$ - | \$ - | |
| 3-11 | Other [specify...]: | \$ - | \$ - | Contributions to Fire & Police Pension Assoc. | \$ - | \$ - | |
| 3-12 | | \$ - | \$ - | Other [specify...] | \$ - | \$ - | |
| 3-13 | | \$ - | \$ - | | \$ - | \$ - | |
| 3-14 | Capital Outlay | \$ 74,259 | \$ - | Capital Outlay | \$ - | \$ - | |
| | Debt Service | | | Debt Service | | | |
| 3-15 | Principal | \$ - | \$ - | Principal | \$ - | \$ - | |
| 3-16 | Interest | \$ - | \$ - | 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 | \$ 553,766 | \$ - | Add lines 3-1 through 3-21 TOTAL EXPENSES | \$ - | \$ - | GRAND TOTAL |
| 3-23 | Interfund Transfers (In) | \$ - | \$ - | Net Interfund Transfers (In) Out | \$ - | \$ - | |
| 3-24 | Interfund Transfers Out | \$ - | \$ - | Other [specify...][enter negative for expense] | \$ - | \$ - | |
| 3-25 | Other Expenditures (Revenues): | \$ - | \$ - | Depreciation | \$ - | \$ - | |
| 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 | \$ - | \$ - | (Line 3-26, plus line 3-27, less line 3-24, less line 3-25) TOTAL GAAP RECONCILING ITEMS | \$ - | \$ - | |
| 3-30 | Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, plus line 3-29 | \$ 76,170 | \$ - | Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24 | \$ - | \$ - | |
| 3-31 | Fund Balance, January 1 from December 31 prior year report | \$ - | \$ - | Net Position, January 1 from December 31 prior year report | \$ - | \$ - | |
| 3-32 | Prior Period Adjustment (MUST explain) | \$ - | \$ - | Prior Period Adjustment (MUST explain) | \$ - | \$ - | |
| 3-33 | Fund Balance, December 31 Sum of Line 3-30, 3-31, and 3-32 This total should be the same as line 1-36. | \$ 76,170 | \$ - | Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36. | \$ - | \$ - | |

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:

| <p>4-1 Does the entity have outstanding debt? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>4-2 Is the debt repayment schedule attached? If no, MUST explain: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>4-3 Is the entity current in its debt service payments? If no, MUST explain: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: right;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 30%;"></th> <th style="width: 15%;">Outstanding at beginning of year*</th> <th style="width: 15%;">Issued during year</th> <th style="width: 15%;">Retired during year</th> <th style="width: 25%;">Outstanding at year-end</th> </tr> </thead> <tbody> <tr> <td>General obligation bonds</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Revenue bonds</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Notes/Loans</td> <td>\$ -</td> <td>\$ 150,000</td> <td>\$ -</td> <td>\$ 150,000</td> </tr> <tr> <td>Leases</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Developer Advances</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Other (specify):</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr style="font-weight: bold;"> <td>TOTAL</td> <td>\$ -</td> <td>\$ 150,000</td> <td>\$ -</td> <td>\$ 150,000</td> </tr> </tbody> </table> <p style="font-size: small;">*must agree to prior year ending balance</p> | | Outstanding at beginning of year* | Issued during year | Retired during year | Outstanding at year-end | General obligation bonds | \$ - | \$ - | \$ - | \$ - | Revenue bonds | \$ - | \$ - | \$ - | \$ - | Notes/Loans | \$ - | \$ 150,000 | \$ - | \$ 150,000 | Leases | \$ - | \$ - | \$ - | \$ - | Developer Advances | \$ - | \$ - | \$ - | \$ - | Other (specify): | \$ - | \$ - | \$ - | \$ - | TOTAL | \$ - | \$ 150,000 | \$ - | \$ 150,000 | |
|---|-----------------------------------|-----------------------------------|---------------------|-------------------------|-------------------------|--------------------------|------|------|------|------|---------------|------|------|------|------|-------------|------|------------|------|------------|--------|------|------|------|------|--------------------|------|------|------|------|------------------|------|------|------|------|-------|------|------------|------|------------|--|
| | Outstanding at beginning of year* | Issued during year | Retired during year | Outstanding at year-end | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| General obligation bonds | \$ - | \$ - | \$ - | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Revenue bonds | \$ - | \$ - | \$ - | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Notes/Loans | \$ - | \$ 150,000 | \$ - | \$ 150,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Leases | \$ - | \$ - | \$ - | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Developer Advances | \$ - | \$ - | \$ - | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other (specify): | \$ - | \$ - | \$ - | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL | \$ - | \$ 150,000 | \$ - | \$ 150,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | |
|--|--|---|----|
| Please answer the following questions by marking the appropriate boxes. | | YES | NO |
| <p>4-5 Does the entity have any authorized, but unissued, debt? How much? <input type="text" value="\$ -"/></p> <p>If yes: Date the debt was authorized: <input type="text"/></p> <p>4-6 Does the entity intend to issue debt within the next calendar year? How much? <input type="text" value="\$ -"/></p> <p>If yes: 4-7 Does the entity have debt that has been refinanced that it is still responsible for? What is the amount outstanding? <input type="text" value="\$ -"/></p> <p>4-8 Does the entity have any lease agreements? If yes: What is being leased? <input type="text" value="Building"/> What is the original date of the lease? <input type="text" value="12/31/2018"/> Number of years of lease? <input type="text" value="10 Years"/> Is the lease subject to annual appropriation? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO What are the annual lease payments? <input type="text" value="\$ 18,392"/></p> | | <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> | |

PART 5 - CASH AND INVESTMENTS

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|------------|-------|--|--|--|------|--|--|--|------|--|--|--|------|--|--|--|------|--|-------------------|--|------|--|----------------------------|--|------------|--|--|--|--|--|
| Please provide the entity's cash deposit and investment balances. | | AMOUNT | TOTAL | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>5-1 YEAR-END Total of ALL Checking and Savings accounts</p> <p>5-2 Certificates of deposit</p> <p style="text-align: right; font-weight: bold;">TOTAL CASH DEPOSITS</p> <p>Investments (if investment is a mutual fund, please list underlying investments):</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: right;"> <tbody> <tr><td style="width: 5%;"> </td><td style="width: 45%;"> </td><td style="width: 10%;">\$ -</td><td style="width: 40%;"> </td></tr> <tr><td> </td><td> </td><td>\$ -</td><td> </td></tr> <tr><td> </td><td> </td><td>\$ -</td><td> </td></tr> <tr><td> </td><td> </td><td>\$ -</td><td> </td></tr> <tr><td> </td><td> </td><td>\$ -</td><td> </td></tr> <tr style="font-weight: bold;"> <td colspan="2">TOTAL INVESTMENTS</td> <td>\$ -</td> <td> </td> </tr> <tr style="font-weight: bold;"> <td colspan="2">TOTAL CASH AND INVESTMENTS</td> <td>\$ 603,221</td> <td> </td> </tr> </tbody> </table> | | | \$ - | | | | \$ - | | | | \$ - | | | | \$ - | | | | \$ - | | TOTAL INVESTMENTS | | \$ - | | TOTAL CASH AND INVESTMENTS | | \$ 603,221 | | | | | |
| | | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL INVESTMENTS | | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL CASH AND INVESTMENTS | | \$ 603,221 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Please use this space to provide any explanations or comments:

| | | | | |
|---|--|--|----|--|
| Please answer the following question by marking in the appropriate box | | YES | NO | N/A |
| <p>5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?</p> <p>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:</p> | | <p><input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> | | <p><input checked="" type="checkbox"/> N/A</p> <p><input type="checkbox"/> N/A</p> |

PART 6 - CAPITAL 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 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) | \$ - | 74,259 | \$ - | 74,259 |
| Other (explain): | \$ - | \$ - | \$ - | \$ - |
| Accumulated Depreciation (Enter a negative, or credit, balance) | \$ - | \$ - | \$ - | \$ - |
| TOTAL | \$ - | \$ 74,259 | \$ - | \$ 74,259 |

6-4 Complete the following Capital Assets table for PROPRIETARY FUNDS:

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

*must agree to prior year ending balance

PART 7 - PENSION INFORMATION

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

- 7-1 Does the entity have an "old hire" firemen's pension plan? YES NO
- 7-2 Does the entity have a volunteer firemen's 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 8 - BUDGET INFORMATION

| Please answer the following question by marking in the appropriate box | | YES | NO | N/A | Please use this space to provide any explanations or comments: |
|--|--|-------------------------------------|--------------------------------|--------------------------|--|
| 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"/> | |
| 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 budgeted for each fund for the year reported | | | | |
| | | Fund Name | Budgeted Expenditures/Expenses | | |
| | | General Fund | \$ | 832,080 | |
| | | | \$ | - | |
| | | | \$ | - | |
| | | | \$ | - | |

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

| Please answer the following question by marking in the appropriate box | | YES | NO | Please use this space to provide any explanations or comments: |
|--|--|-------------------------------------|--------------------------|--|
| 9-1 | Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? government from the 3 percent emergency reserve requirement. All governments should determine if they meet this | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |

PART 10 - GENERAL INFORMATION

| Please answer the following question by marking in the appropriate box | | YES | NO | Please use this space to provide any explanations or comments: |
|--|---|-------------------------------------|-------------------------------------|--|
| 10-1 | Is this application for a newly formed governmental entity? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| If yes: | Date of formation: | | | |
| | | 3/4/2018 | | |
| 10-2 | Has the entity changed its name in the past or current year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| If Yes: | NEW name | | | |
| | | | | |
| | | PRIOR name | | |
| | | | | |
| 10-3 | Is the entity a metropolitan district? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| 10-4 | Please indicate what services the entity provides: | | | |
| | | Education | | |
| 10-5 | Does the entity have an agreement with another government to provide services? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| If yes: | List the name of the other governmental entity and the services provided: | | | |
| | | | | |
| 10-6 | Does the entity have a certified mill levy? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| If yes: | Please provide the number of <u>mills</u> levied for the year reported (do not enter \$ amounts): | | | |
| | | Bond Redemption mills | 0.000 | |
| | | General/Other mills | 0.000 | |
| | | Total mills | 0.000 | |

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

OSA USE ONLY

| Entity Wide: | | General Fund | | Governmental Funds | | Notes |
|---------------------------------|------------|-------------------------|------------|------------------------------|------------|--------------|
| Unrestricted Cash & Investments | \$ 603,221 | Unrestricted Fund Balan | \$ 76,170 | Total Tax Revenue | \$ - | |
| Current Liabilities | \$ 66,293 | Total Fund Balance | \$ 76,170 | Revenue Paying Debt Service | \$ - | |
| Deferred Inflow | \$ - | PY Fund Balance | \$ - | Total Revenue | \$ 629,936 | |
| | | Total Revenue | \$ 629,936 | Total Debt Service Principal | \$ - | |
| | | Total Expenditures | \$ 553,766 | Total Debt Service Interest | \$ - | |
| | | Interfund In | \$ - | | | |
| Governmental | | Interfund Out | \$ - | Enterprise Funds | | |
| Total Cash & Investments | \$ 603,221 | - Proprietary | | Net Position | \$ - | |
| Transfers In | \$ - | - Current Assets | \$ - | - PY Net Position | \$ - | |
| Transfers Out | \$ - | - Deferred Outflow | \$ - | - Government-Wide | | |
| Property Tax | \$ - | - Current Liabilities | \$ - | - Total Outstanding Debt | \$ 150,000 | |
| Debt Service Principal | \$ - | Deferred Inflow | \$ - | - Authorized but Unissued | \$ - | |
| Total Expenditures | \$ 553,766 | - Cash & Investments | \$ - | - Year Authorized | 1/0/1900 | |
| Total Developer Advances | \$ - | - Principal Expense | \$ - | | | |
| Total Developer Repayments | \$ - | | | | | |

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?

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.

| 1 | Full Name | 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 _____ Date: _____ My term Expires: _____ |
|---|-----------------------------|--|
| | Whitney Robinson Johnson | I, Whitney Robinson Johnson, 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>Whitney Robinson Johnson</u> Date: Sep 27, 2019 My term Expires: May 2021 |
| | Full Name | |
| | Koffi Bonaventure Apedjinou | I, Koffi Apedjinou, 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>Koffi Apedjinou</u> Date: Sep 30, 2019 My term Expires: _____ |
| | Full Name | |
| | Sabrina Hodges | I, Sabrina Hodges, 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>Sabrina Hodges</u> Date: Sep 30, 2019 My term Expires: _____ |
| | Full Name | |
| | Shawne Anderson | I, Shawne M Anderson, 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>Shawne Anderson</u> Date: Sep 30, 2019 My term Expires: _____ |
| | Full Name | |
| | Cristina Uribe-Reyes | I, Cristina Uribe Reyes, 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>Cristina Uribe Reyes</u> Date: Sep 28, 2019 My term Expires: 06/30/2021 |
| | Full Name | |
| | Uzo Akotaobi | I, Uzo Akotaobi, 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>Uzo Akotaobi</u> Date: Sep 30, 2019 My term Expires: _____ |
| | Full Name | |
| | Jayne Lewis | 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 _____ Date: _____ My term Expires: _____ |

PROMISSORY NOTE

Date: April 29, 2019
Amount of Loan: \$150,000.00

Empower Community High School, a Colorado nonprofit corporation public charter school (the "Borrower"), for value received, hereby promises to pay to the order of **Charter Facility Solutions**, a Colorado nonprofit corporation (the "Lender"), or holder, at its offices at 1390 Lawrence Street, Suite 200 Denver, CO 80204, or at such other place or places in the United States of America as the holder hereof may designate in writing from time to time, the amount of ONE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$150,000.00) with interest (the "Loan") from the date of funding the principal amounts under this Note until maturity at the rate of 3.5% per annum (based on a 360-day year), in accordance with the terms of this Note, as set forth below.

This Note is referred to in that certain Loan Agreement dated as of even date herewith, by and between Lender and Borrower (as the same may be amended, restated or otherwise modified from time to time, the "Loan Agreement"), and the holder hereof is entitled to the benefits of the Loan Agreement and may enforce the provisions thereof and exercise the remedies provided thereunder or otherwise available in respect thereof. Any capitalized term not defined herein shall have the meaning set forth in the Loan Agreement.

The terms of this Note are subject to the terms and conditions of the Loan Agreement. To the extent that the terms of the Note are in conflict with the Loan Agreement, the terms of the Loan Agreement shall control.

Payments for accrued interest will be made on the 15th day of each month and will begin on May 15th. Principal payments will be made in accordance with section 1.3.1 of the Loan Agreement. All unpaid principal and interest is due and payable on December 31, 2019.

Borrower may make voluntary prepayments of principal hereunder from time to time without penalty or premium. All payments under this Note shall be made by wire transfer or check in accordance with Lender's instructions.

In case an Event of Default under the Loan Agreement shall occur and be continuing, the unpaid balance of this Note may be declared and become due and payable in the manner and with the effect provided in the Loan Agreement.

If any payment shall not be paid within fifteen (15) days after the due date, then such overdue amount shall, without limiting the rights of Lender, bear a late charge in the amount of the lesser of ten percent (10%) per annum or the maximum rate permitted under applicable law, which shall accrue from the due date until the overdue amount is paid.

Payment shall be made in lawful money of the United States of America. Whenever any payment to be made hereunder would otherwise be due on a Saturday, Sunday, or public holiday

under the laws of the State of Colorado, such payment shall be due on the next succeeding business day.

This Note shall be payable without presentment, demand, protest, or notice of any kind, all of which are unconditionally waived by the Borrower.

Borrower agrees to perform and comply with each of the covenants, conditions, provisions, and agreements applicable to or to be performed by Borrower contained in the Loan Agreement. No waiver of any provision of this Note or the Loan Agreement by the holder hereof or any other person or party shall constitute a waiver of any other provision hereof, or otherwise release or discharge the liability of Borrower under this Note.

All notices and communications under this Agreement shall be in writing and shall be given in accordance with the terms of the Loan Agreement.

Notwithstanding any other provisions in this Note or any exhibits or attachments hereto, the parties recognize that Borrower is subject to Article X, § 20, of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights ("TABOR"). This Note shall not constitute a mandatory charge and does not directly or indirectly obligate Borrower to make any payments beyond those appropriated for any fiscal year for which such appropriation has been made. Additionally, this Note shall not be construed as a pledge or creating a lien on any class or source of monies of Borrower, nor shall any provision of this Note restrict the future issuance of any obligations of Borrower, payable from any class or source of moneys of Borrower. Therefore, the fiscal obligations of Borrower are subject to annual fiscal appropriations (July 1 through June 30) by and at the option of the Colorado legislature, Aurora Public Schools and Borrower's governing board (the "School Board"). The obligation of Borrower to make any payments pursuant to this Note shall terminate in the event that Borrower for any reason, does not appropriate moneys to make such payments during its next ensuing fiscal year ("Event of Non-appropriation"), although Borrower agrees to act reasonably and in good faith in determining whether or not to appropriate moneys for such payments. Borrower acknowledges and agrees that any payments by Borrower described in this Note and any other agreement shall constitute current expenditures of Borrower payable in the fiscal years for which funds are appropriated by Borrower for the payment thereof. Nothing herein creates a multiple year financial obligation or other indebtedness of Borrower, nor does the Loan evidenced hereby or the termination of such credit meet any of the other criteria requiring approval by the electors pursuant to TABOR. At the occurrence of an Event of Non-appropriation Borrower will provide Lender with prompt written notice thereof and this Note shall terminate at the end of such fiscal year, without default, damages, penalties, acceleration, costs, or fees, other than payments properly due and owing for the fiscal year in which funds were appropriated for payment under this Note.

[The remainder of this page is intentionally left blank]

THIS NOTE HAS BEEN DELIVERED IN DENVER, COLORADO AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF COLORADO (WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PRINCIPLES OF SUCH STATE).

EMPOWER COMMUNITY HIGH SCHOOL
a Colorado nonprofit corporation

By: WRJ
Name: Whittney Robinson Johnson
Title: Board Chair

[Signature Page to Promissory Note]