

**APPLICATION FOR EXEMPTION FROM AUDIT
LONG FORM**

NAME OF GOVERNMENT: Horse Creek Metropolitan District
 ADDRESS: c/o Pinnacle Consulting Group, Inc.
 1627 E. 18th Street
 Loveland, CO 80538
 CONTACT PERSON: Brendan Campbell, CPA
 PHONE: (970)669-3611
 EMAIL: brendanc@pinnacleconsultinggroupinc.com
 FAX: (970)669-3612

Adams County

1106.03

For the Year Ended
12/31/2016
or fiscal year ended

CERTIFICATION OF PREPARER

I certify that I am an independent accountant with knowledge of governmental accounting and that the information in the Application is complete and accurate to the best of my knowledge. I am aware that the Audit Law requires that a person independent of the entity complete the application if revenues or expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

NAME: Brendan Campbell, CPA
 TITLE: District Accountant
 FIRM NAME (if applicable): Pinnacle Consulting Group, Inc.
 ADDRESS: 1627 E. 18th Street, Loveland, CO 80538
 PHONE: (970)669-3611
 DATE PREPARED: 3/6/2017
(Must be Completed prior to Board Approval)
 RELATIONSHIP TO ENTITY: District Accountant

PREPARER (SIGNATURE REQUIRED)

[Handwritten Signature]

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
<input type="checkbox"/>	<input checked="" type="checkbox"/>

If Yes, date filed:



RECEIVED
By Justin L. Smith at 7:40 am, Apr 18, 2017

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Description	Proprietary/Revenue Funds		Please use this space to provide explanation of any items on this page
		General Fund	Debt Service Fund		Fund*	Fund*	
Assets				Assets			
1-1	Cash & Cash Equivalents	\$ -	\$ 432,152	Cash & Cash Equivalents	\$ -	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ -	\$ -	Receivables	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ 31,384	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets (specify) Prepaid Insurance	\$ 2,293	\$ -	Other Current Assets	\$ -	\$ -	
1-5	Accounts Receivable - County Treasurer	\$ 241	\$ 804	Total Current Assets		\$ -	\$ -
1-6	Property Tax Receivable	\$ 44,289	\$ 105,111	Capital Assets, net (from Part)	\$ -	\$ -	
1-7		\$ -	\$ -	Other Long Term Assets (specify)	\$ -	\$ -	
1-8		\$ -	\$ -		\$ -	\$ -	
1-9		\$ -	\$ -		\$ -	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 46,823	\$ 569,451	(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	\$ 46,823	\$ 569,451	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	
Liabilities				Liabilities			
1-14	Accounts Payable	\$ 6,398	\$ 37,514	Accounts Payable	\$ -	\$ -	
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -	
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -	
1-17	Due to Other Entities or Funds	\$ 31,384	\$ -	Due to Other Entities or Funds	\$ -	\$ -	
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -	
1-19	TOTAL CURRENT LIABILITIES	\$ 37,782	\$ 37,514	TOTAL CURRENT LIABILITIES	\$ -	\$ -	
1-20	All Other Liabilities (specify)	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -	
1-21	Deferred Property Tax	\$ 44,289	\$ 105,111	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	\$ 82,071	\$ 142,625	(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	\$ 2,293	\$ -	Net Investment in Capital Assets	\$ -	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -		\$ -	\$ -	
1-32	Restricted (specify) Tabor	\$ 1,365	\$ 426,825	Emergency Reserves	\$ -	\$ -	
1-33	Committed (specify)	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned (specify)	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned	\$ (38,906)	\$ -	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	\$ (35,248)	\$ 426,825	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	\$ 46,823	\$ 569,450	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	Debt Service Fund		Fund*	Fund*	
Tax Revenue				Tax Revenue			
2-1	Property	\$ 40,927	\$ 136,425	Property	\$ -	\$ -	
2-2	Specific Ownership	\$ 3,373	\$ 11,244	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	\$ 44,300	\$ 147,669	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 (CTF)	\$ -	\$ -	Conservation Trust Funds (CTF)	\$ -	\$ -	
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	\$ -	\$ -	Charges for Sales and Services	\$ -	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ 1,184	\$ 1,505	Interest/Investment Income	\$ -	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	\$ -	
2-21	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -	
2-22	All Other (specify): Recovery of Bad Debt	\$ -	\$ 11,760	All Other (specify):	\$ -	\$ -	
2-23		\$ -	\$ -		\$ -	\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 45,484	\$ 160,934	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ -	\$ -	
Other Financing Sources				Other Financing Sources			
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -	
2-26	Proceeds from Sale of Capital Assets	\$ -	\$ -	Proceeds from Sale of Capital Assets	\$ -	\$ -	
2-27	Other (specify):	\$ -	\$ -	Other (specify):	\$ -	\$ -	
2-28	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	
2-29	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 45,484	\$ 160,934	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ -	\$ -	GRAND TOTALS
							\$ 206,418

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

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds	
		General Fund	Debt Service Fund		Fund*	Fund*
Expenditures				Expenditures		
3-1	General Government	\$ 44,024	\$ 10,442	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	Other (specify)	\$ -	\$ -	Utilities	\$ -	\$ -
3-11		\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -
3-12		\$ -	\$ -	Other (specify)	\$ -	\$ -
3-13		\$ -	\$ -		\$ -	\$ -
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -
	Debt Service			Debt Service		
3-15	Principal	\$ -	\$ 23,000	Principal	\$ -	\$ -
3-16	Interest	\$ -	\$ 79,133	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	\$ 44,024	\$ 112,575	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ -	\$ -
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In)	\$ -	\$ -
3-24	Interfund Transfers Out	\$ -	\$ -	Net Interfund Transfers Out	\$ -	\$ -
3-25	Other Expenditures (Revenues)	\$ -	\$ -	Depreciation	\$ -	\$ -
3-26		\$ -	\$ -	Other Financing Sources (Uses) (from line 2-25)	\$ -	\$ -
3-27		\$ -	\$ -	Capital Outlay (from line 3-14)	\$ -	\$ -
3-28		\$ -	\$ -	Debt Principal (from line 3-15)	\$ -	\$ -
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 3-29, less line 3-22, plus line 3-29	\$ 1,480	\$ 48,359	Net Increase (Decrease) in Net Position Line 3-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-23	\$ -	\$ -
3-31	Fund Balance, January 1 from December 31 prior year report	\$ (36,709)	\$ 378,467	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.	\$ (35,249)	\$ 426,826	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ -	\$ -

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

GRAND TOTAL
\$ 158,589

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
4-1	Does the entity have outstanding debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	\$ 1,375,000	\$ 23,000
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ -	\$ -
	Leases	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	TOTAL	\$ 1,375,000	\$ 23,000
		\$ -	\$ 1,352,000
Please answer the following questions by marking the appropriate boxes.		YES	NO
4-5	Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? \$ 5,330,000		
	Date the debt was authorized: 11/4/2003		
4-6	Does the entity intend to issue debt within the next calendar year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? \$ 1,230,000		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding? \$ -		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the annual lease payments? \$ -		
4-9	Does the entity have a certified mill levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	Please provide the following mills levied for the year reported:		
	Bond Redemption 50.00		
	General/Other 15.00		
	TOTAL 65.00		

Please use this space to provide any explanations or comments:

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	\$ 432,152		
5-2	Certificates of deposit	\$ -		
	TOTAL CASH DEPOSITS		\$ 432,152	
	Investments (if investment is a mutual fund, please list underlying investments)	\$ -		
5-3		\$ -		
		\$ -		
		\$ -		
	TOTAL INVESTMENTS		\$ -	
	TOTAL CASH AND INVESTMENTS		\$ 432,152	
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.?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10-6-101, et seq., 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:

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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
6-2	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-503, C.R.S.? If no, MUST explain:	<input type="checkbox"/>	<input type="checkbox"/>		
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)	\$ -	\$ -	\$ -	\$ -
	Other (specify):	\$ -	\$ -	\$ -	\$ -
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -
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 (specify):	\$ -	\$ -	\$ -	\$ -
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -

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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7-2	Does the entity have a volunteer firemen's pension plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes	Who administers the plan?			
	Indicate the contributions from:			
	Tax (property, SQ, 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
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 appropriated for each fund for the year reported:

Fund Name	Budgeted Expenditures
General	\$ 35,400
Debt Service	\$ 122,000
	\$ -
	\$ -

Please use this space to provide any explanations or comments:

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

Please answer the following question by marking in the appropriate box		YES	NO
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Please use this space to provide any explanations or comments:

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? If yes: Date of formation:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10-2	Has the entity changed its name in the past or current year? If Yes: NEW name: PRIOR name:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10-3	Is the entity a metropolitan district?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-4	Please indicate what services the entity provides: Streets, safety control, street lighting, landscaping, water, storm drainage, parks and recreation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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:	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please use this space to provide any explanations or comments:

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

OSA USE ONLY

Entity Wide:	General Fund	Governmental Funds	Notes:
Unrestricted Cash & Investments \$	432,152	Unrestricted Fund Balor \$ (38,908)	Total Tax Revenue \$ 191,969
Current Liabilities \$	75,296	Total Fund Balance \$ (35,248)	Revenue Paying Debt Service \$ 160,934
Deferred Inflow \$		PY Fund Balance \$ (38,709)	Total Revenue \$ 208,418
		Total Revenue \$ 45,484	Total Debt Service Principal \$ 23,000
		Total Expenditures \$ 44,024	Total Debt Service Interest \$ 79,133
		Interfund In \$ -	
Governmental			
Total Cash & Investments \$	432,152	Interfund Out \$ -	Enterprise Funds
Transfers In \$		Proprietary \$ -	Net Position \$ -
Transfers Out \$		Current Assets \$ -	PY Net Position \$ -
Property Tax \$	177,352	Deferred Outflow \$ -	Government-Wide
Debt Service Principal \$	23,000	Current Liabilities \$ -	Total Outstanding Debt \$ 1,352,000
Total Expenditures \$	158,699	Deferred Inflow \$ -	Authorized but Unissued \$ 5,330,000
Total Developer Advances \$		Cash & Investments \$ -	Year Authorized \$ 37,929
Total Developer Repayments \$		Principal Expense \$ -	

PART 12 - GOVERNING BODY APPROVAL

Below is the certification and approval of the governing board. By signing the board member is certifying they are a duly elected or appointed officer of the local government. Governing board members may be verified. Also by signing, the board 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 \$759,999 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 name of all currently governing board members below.		All members of the governing board members must complete and sign in the column below.	
Board Member	1	Print Board Member's Name Daryl Brown	I, <u>Daryl Brown</u> 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: <u>May 2018</u>
Board Member	2	Print Board Member's Name Diane Daniels	I, <u>Diane Daniels</u> 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: <u>May 2020</u>
Board Member	3	Print Board Member's Name Martha Mutzbauer	I, <u>Martha Mutzbauer</u> 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: <u>May 2018</u>
Board Member	4	Print Board Member's Name Flora Hardy	I, <u>Flora Hardy</u> 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>Flora Hardy</u> Date <u>3-23-2017</u> My term Expires: <u>May 2019</u>
Board Member	5	Print Board Member's Name LeAnn James	I, <u>LeAnn James</u> 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: <u>May 2020</u>
Board Member	6	Print Board Member's 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: _____
Board Member	7	Print Board Member's 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: _____

PART 12 - GOVERNING BODY APPROVAL

Below is the certification and approval of the governing board. By signing the board member is certifying they are a duly elected or appointed officer of the local government. Governing board members may be verified. Also by signing, the board member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.F.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 current governing board members below.

A MAJORITY of the governing board members must complete and sign in the column below.

Board Member	1	Print Board Member's Name Daryl Brown	I, <u>Daryl Brown</u> , 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: <u>May 2018</u>
Board Member	2	Print Board Member's Name Diane Daniels	I, <u>Diane Daniels</u> , 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: <u>May 2020</u>
Board Member	3	Print Board Member's Name Martha Mutzbauer	I, <u>Martha Mutzbauer</u> , 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>Martha L. Mutzbauer</u> Date: <u>3/27/17</u> My term Expires: <u>May 2018</u>
Board Member	4	Print Board Member's Name Flora Hardy	I, <u>Flora Hardy</u> , 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: <u>May 2018</u>
Board Member	5	Print Board Member's Name LeAnn James	I, <u>LeAnn James</u> , 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: <u>May 2020</u>
Board Member	6	Print Board Member's 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: _____
Board Member	7	Print Board Member's 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: _____

PART 12 - GOVERNING BODY APPROVAL

Below is the certification and approval of the governing body. By signing this board member is certifying they are a duly elected or appointed officer of the local governmental governing body members may be elected. Also by signing the board member certifies that the Application for Exemption from Audit has been prepared consistent with Section 89-1-601, C.R.S. which states that a governmental agency with revenue and expense funds of \$750,000 or more must have an application prepared by persons who are not accountable with knowledge of governmental accounting completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Board Member	1	Print Board Member's Name Daryl Brown	I, <u>Daryl Brown</u> , certify 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>Daryl Brown</u> Date: <u>3/28/2017</u> My term Expires <u>May 2018</u>
Board Member	2	Print Board Member's Name Diane Daniels	I, <u>Diane Daniels</u> , certify 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 <u>May 2018</u>
Board Member	3	Print Board Member's Name Martha Mutzbauer	I, <u>Martha Mutzbauer</u> , certify 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 <u>May 2018</u>
Board Member	4	Print Board Member's Name Flora Hardy	I, <u>Flora Hardy</u> , certify 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 <u>May 2018</u>
Board Member	5	Print Board Member's Name LeAnn James	I, <u>LeAnn James</u> , certify 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 <u>May 2018</u>
Board Member	6	Print Board Member's Name _____	I, _____, certify 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 _____
Board Member	7	Print Board Member's Name _____	I, _____, certify 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 _____

**Original Signatures
Verified by**

Justin L. Smith



HORSE CREEK METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 4 - LONG-TERM OBLIGATIONS (CONTINUED)

Pursuant to the Bond Resolution, the District is required to establish a Surplus Fund for the Series 2006 Bonds that will be built up over time from excess pledged revenue to a maximum of \$200,000 in reserve. Monies in the Surplus Fund will be used solely for the purpose of paying the principal or interest on the Series 2006 Bonds. The Surplus Fund will be released to the District at such time that the ratio of debt assessed valuation is equal to or less than 50%, at which time remaining funds in the Surplus Fund may be used by the District for any lawful purpose. As of December 31, 2015, the District had approximately \$37,514 in excess pledged revenues to be used for future payments on the bonds.

The outstanding bond principal and interest mature as follows:

	Principal	Interest	Total
2016	\$ 23,000	\$ 79,062	\$ 102,062
2017	26,000	77,740	103,740
2018	28,000	76,245	104,245
2019	30,000	74,635	104,635
2020	35,000	72,910	107,910
2021-2025	221,000	330,971	551,971
2026-2030	320,000	256,910	576,910
2031-2035	455,000	150,189	605,189
2036	237,000	13,628	250,628
	\$ 1,375,000	\$ 1,132,290	\$ 2,507,290

NOTE 5 - NET POSITION

The District has net position consisting of two components - restricted and unrestricted.

Restricted assets include assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position of \$379,367 as of December 31, 2015 as follows:

Restricted net position:

Emergencies	\$ 899
Debt service	<u>378,468</u>
	<u><u>\$ 379,367</u></u>

The District's unrestricted net position as of December 31, 2015 totaled \$(1,419,197). This deficit amount was a result of the District being responsible for the repayment of bonds issued for public improvements that have been conveyed to other governmental entities.