

**APPLICATION FOR EXEMPTION FROM AUDIT  
LONG FORM**

NAME OF GOVERNMENT	Deer Creek Water District
ADDRESS	3344 Deer Creek Drive Parker, Colorado 80138
CONTACT PERSON	Glenn Smith
PHONE	303-377-9724
EMAIL	gesmit13@hotmail.com
FAX	

For the Year Ended  
12/31/2017  
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:	Neil Schilling
TITLE	Certified Public Accountant
FIRM NAME (if applicable)	Schilling & Company, Inc.
ADDRESS	P.O. Box 631579, Highlands Ranch, CO 80163
PHONE	720-348-1086
DATE PREPARED <small>(Must be Completed prior to Board approval)</small>	3/14/2018
RELATIONSHIP TO ENTITY	Contracted Preparer of the Exemption from Audit

**PREPARER (SIGNATURE REQUIRED)**

*See Accountant's Compilation Report*

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:



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**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
		Fund*	Fund*		Water Utility Fund	Fund*	
<b>Assets</b>							
1-1	Cash & Cash Equivalents	\$ -	\$ -	Cash & Cash Equivalents	\$ 271,988	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ -	\$ -	Receivables	\$ 8,477	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ 1,481	\$ -	
	All Other Assets (specify)	\$ -	\$ -	Other Current Assets	\$ 84,046	\$ -	
1-5		\$ -	\$ -				
1-6		\$ -	\$ -				
1-7		\$ -	\$ -	Capital Assets, net (from Part 6-4)	\$ 1,462,847	\$ -	
1-8		\$ -	\$ -	Other Long Term Assets (specify)	\$ -	\$ -	
1-9		\$ -	\$ -				
1-10		\$ -	\$ -				
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 1,828,839	\$ -	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 1,828,839	\$ -	
<b>Liabilities</b>							
1-14	Accounts Payable	\$ -	\$ -	Accounts Payable	\$ 3,901	\$ -	
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -	
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ 4,807	\$ -	
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	\$ -	\$ -	TOTAL CURRENT LIABILITIES	\$ 8,708	\$ -	
1-20	All Other Liabilities (specify)	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ 1,142,026	\$ -	
1-21		\$ -	\$ -	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	\$ -	\$ -	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ 1,150,734	\$ -	
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 84,046	\$ -	
<b>Fund Balance</b>							
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Position			
1-31	Nonspendable Inventory	\$ -	\$ -	Net Investment in Capital Assets	\$ 320,821	\$ -	
1-32	Restricted (specify):	\$ -	\$ -				
1-33	Committed (specify)	\$ -	\$ -	Emergency Reserves	\$ 2,739	\$ -	
1-34	Assigned (specify)	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-35	Unassigned:	\$ -	\$ -	Restricted	\$ 43,132	\$ -	
1-36		\$ -	\$ -	Undesignated/Unreserved/Unrestricted	\$ 227,367	\$ -	
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL FUND BALANCE	\$ -	\$ -	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL NET POSITION	\$ 594,059	\$ -	
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	\$ -	\$ -	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	\$ 1,828,839	\$ -	

See Accountant's Compilation Report

**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
		Fund*	Fund*		Water Utility Fund	Fund*	
<b>Tax Revenue</b>							
2-1	Property	\$ -	\$ -	Property	\$ 76,028	\$ -	
2-2	Specific Ownership	\$ -	\$ -	Specific Ownership	\$ 15,224	\$ -	
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	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</b>	\$ -	\$ -	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</b>	\$ 91,252	\$ -	
<b>Other Financing Sources</b>							
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	\$ -	\$ -	Charges for Sales and Services	\$ 176,397	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ -	\$ -	Interest/Investment Income	\$ 304	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ 15,000	\$ -	
2-21	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -	
2-22	All Other (specify):	\$ -	\$ -	All Other (specify):	\$ -	\$ -	
2-23		\$ -	\$ -		\$ -	\$ -	
2-24	<b>Add lines 2-8 through 2-23 TOTAL REVENUES</b>	\$ -	\$ -	<b>Add lines 2-8 through 2-23 TOTAL REVENUES</b>	\$ 282,953	\$ -	
<b>Other Financing Sources</b>							
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	<b>Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES</b>	\$ -	\$ -	<b>Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES</b>	\$ -	\$ -	<b>GRAND TOTALS</b>
2-29	<b>Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	\$ -	\$ -	<b>Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	\$ 282,953	\$ -	

**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		Please use this space to provide explanation of any items on this page
		Fund*	Fund*		Water Utility Fund	Fund*	
<b>Expenditures</b>				<b>Expenditures</b>			
3-1	General Government	\$ -	\$ -	General Operating & Administrative	\$ 20,436	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ 42,754	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ 9,892	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ 30,372	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ 9,157	\$ -	
3-10	Other (specify):	\$ -	\$ -	Utilities	\$ 18,512	\$ -	
3-11		\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other (specify): County Treasurer's Fees	\$ 2,242	\$ -	
3-13		\$ -	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal	\$ -	\$ -	Principal	\$ 90,767	\$ -	
3-16	Interest	\$ -	\$ -	Interest	\$ 51,570	\$ -	
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	<b>Add lines 3-1 through 3-21</b>	\$ -	\$ -	<b>Add lines 3-1 through 3-21</b>	\$ 275,702	\$ -	<b>GRAND TOTAL</b>
3-22	<b>TOTAL EXPENDITURES</b>	\$ -	\$ -	<b>TOTAL EXPENDITURES</b>	\$ 275,702	\$ -	<b>\$ 275,702</b>
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In)	\$ -	\$ -	
3-24	Interfund Transfers out	\$ -	\$ -	Net Interfund Transfers out	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation	\$ 34,608	\$ -	
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)	\$ 90,767	\$ -	
3-29	<b>(Add lines 3-23 through 3-28)</b>	\$ -	\$ -	<b>(Line 3-26, plus line 3-27, less line 3-24, less line 3-25)</b>	\$ 56,159	\$ -	
3-29	<b>TOTAL TRANSFERS AND OTHER EXPENDITURES</b>	\$ -	\$ -	<b>TOTAL GAAP RECONCILING ITEMS</b>	\$ 56,159	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures			Net Increase (Decrease) in Net Position			
	Line 2-29, less line 3-22, plus line 3-29	\$ -	\$ -	Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24	\$ 63,410	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	Net Position, January 1 from December 31 prior year report	\$ 530,649	\$ -	
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	Prior Period Adjustment (MUST explain)	\$ -	\$ -	
3-33	Fund Balance, December 31			Net Position, December 31			
	Sum of Line 3-30, 3-31, and 3-32			Line 3-30 plus line 3-31	\$ 594,059	\$ -	
	This total should be the same as line 1-36.	\$ -	\$ -	This total should be the same as line 1-36.	\$ 594,059	\$ -	

**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
- 4-3 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	\$ 1,075,000	\$ -	\$ 68,000	\$ 1,007,000
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ 157,793	\$ -	\$ 22,767	\$ 135,026
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 1,232,793</b>	<b>\$ -</b>	<b>\$ 90,767</b>	<b>\$ 1,142,026</b>

\*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?  YES  NO
  - If yes: How much? \$ 64,000
  - Date the debt was authorized: 11/5/2008
- 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? Water Tank Refurbishment
  - What is the original date of the lease? 3/17/16 & 11/17/16
  - Number of years of lease? 8 years - both mature in 2023
  - Is the lease subject to annual appropriation?  YES  NO
  - What are the annual lease payments? \$ 26,613
- 4-9 Does the entity have a certified mill levy?  YES  NO
  - If yes: Please provide the following mills levied for the year reported (do not enter \$ amounts):

Bond Redemption	0.000
General/Other	8.000
<b>TOTAL</b>	<b>8.000</b>

**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	\$ 241,748	
5-2 Certificates of deposit	\$ 30,240	
<b>TOTAL CASH DEPOSITS</b>		\$ 271,988
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
	\$ -	
	\$ -	
<b>TOTAL INVESTMENTS</b>	\$ -	
<b>TOTAL CASH AND INVESTMENTS</b>		\$ 271,988

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

See Accountant's Compilation Report

**PART 6 - CAPITAL ASSETS**

Please answer the following question by marking in the appropriate box	YES	NO	
6-1 Does the entity have capitalized assets?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Please use this space to provide any explanations or comments:
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:	<input checked="" 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 (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -

6-4 Complete the following Capital Assets table for PROPRIETARY FUNDS:	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ 96,000	\$ -	\$ -	\$ 96,000
Buildings	\$ 25,151	\$ -	\$ -	\$ 25,151
Machinery and equipment	\$ 141,622	\$ -	\$ -	\$ 141,622
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 596,250	\$ -	\$ -	\$ 596,250
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain): Water Rights	\$ 845,873	\$ -	\$ -	\$ 845,873
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (207,441)	\$ (34,608)	\$ -	\$ (242,049)
<b>TOTAL</b>	\$ 1,497,455	\$ (34,608)	\$ -	\$ 1,462,847

**PART 7 - PENSION INFORMATION**

Please answer the following question by marking in the appropriate box	YES	NO	
7-1 Does the entity have an "old hire" firemen's pension plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Please use this space to provide any explanations or comments:
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, SO, sales, etc.):	
State contribution amount:	
Other (gifts, donations, etc.):	
<b>TOTAL</b>	

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?

See Accountant's Compilation Report

**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 appropriated for each fund for the year reported					
Fund Name		Budgeted Expenditures			
Water Utility Fund (Combined General, Capital Projects and Debt Service Funds)		\$	423,758		
		\$	-		
		\$	-		
		\$	-		

**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)]? 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"/>	

**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? If yes: Date of formation: <input type="text"/>	<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 <input type="text"/> PRIOR name <input type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10-3	Is the entity a metropolitan district?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10-4	Please indicate what services the entity provides: <input type="text" value="Water service to the District's constituents"/>	<input type="checkbox"/>	<input checked="" 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="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

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 \$ 271,988	Unrestricted Fund Balan \$	Total Tax Revenue \$	-
Current Liabilities \$ 8,708	Total Fund Balance \$	Revenue Paying Debt Service \$	-
Deferred Inflow \$ 84,046	PY Fund Balance \$	Total Revenue \$	-
	Total Revenue \$	Total Debt Service Principal \$	-
	Total Expenditures \$	Total Debt Service Interest \$	-
	Interfund In \$		
	Interfund Out \$	<b>Enterprise Funds</b>	
<b>Governmental</b>	<b>Proprietary</b>	Net Position \$	594,059
Total Cash & Investments \$	Current Assets \$ 365,992	PY Net Position \$	530,649
Transfers In \$	Deferred Outflow \$	<b>Government-Wide</b>	
Transfers Out \$	Current Liabilities \$	Total Outstanding Debt \$	1,142,026
Property Tax \$	Deferred Inflow \$ 84,046	Authorized but Unissued \$	64,000
Debt Service Principal \$	Cash & Investments \$ 271,988	Year Authorized \$	39,757
Total Expenditures \$	Principal Expense \$		
Total Developer Advances \$			
Total Developer Repayments \$			

See Accountant's Compilation Report

**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 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 \$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 <b>Gary McIntyre</b>	I, Gary McIntyre, 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>Gary McIntyre</u> My term Expires: <u>2018</u>	Date: <u>3/17/2018</u>
Board Member	2 Print Board Member's Name <b>Lyle Penner</b>	I, Lyle Penner, 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>Lyle Penner</u> My term Expires: <u>2018</u>	Date: <u>3/19/2018</u>
Board Member	3 Print Board Member's Name <b>Glenn Smith</b>	I, Glenn Smith, 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>Glenn Smith</u> My term Expires: <u>2020</u>	Date: <u>3/15/2018</u>
Board Member	4 Print Board Member's Name <b>Tom Cornelius</b>	I, Tom Cornelius, 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 2020</u>	Date: _____
Board Member	5 Print Board Member's Name <b>Dave Lunka</b>	I, Dave Lunka, 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 2020</u>	Date: _____
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 _____ My term Expires: _____	Date: _____
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 _____ My term Expires: _____	Date: _____

See Accountant's Compilation Report

**Deer Creek Water District**  
*General Obligation Tax Bonds*  
*Series 2009*

<b>NET DEBT SERVICE SCHEDULE</b>								
<u>Pmt. #</u>	<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Resrve Fund</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>	<u>Principal Bal.</u>
	3/4/2009							\$1,536,000.00
1	6/15/2009	\$0.00	4.45%	\$19,176.53 *		\$19,176.53		\$1,536,000.00
2	12/15/2009	\$62,000.00	4.45%	\$34,176.00 **		\$96,176.00	\$115,352.53	\$1,474,000.00
3	6/15/2010	\$0.00	4.45%	\$32,796.50	\$ -	\$32,796.50		\$1,474,000.00
4	12/15/2010	\$50,000.00	4.45%	\$32,796.50	\$ -	\$82,796.50	\$115,593.00	\$1,424,000.00
5	6/15/2011	\$0.00	4.45%	\$31,684.00	\$ -	\$31,684.00		\$1,424,000.00
6	12/15/2011	\$52,000.00	4.45%	\$31,684.00	\$ -	\$83,684.00	\$115,368.00	\$1,372,000.00
7	6/15/2012	\$0.00	4.45%	\$30,527.00	\$ -	\$30,527.00		\$1,372,000.00
8	12/15/2012	\$54,000.00	4.45%	\$30,527.00	\$ -	\$84,527.00	\$115,054.00	\$1,318,000.00
9	6/15/2013	\$0.00	4.45%	\$29,325.50	\$ -	\$29,325.50		\$1,318,000.00
10	12/15/2013	\$57,000.00	4.45%	\$29,325.50	\$ -	\$86,325.50	\$115,651.00	\$1,261,000.00
11	6/15/2014	\$0.00	4.45%	\$28,057.25	\$ -	\$28,057.25		\$1,261,000.00
12	12/15/2014	\$59,000.00	4.45%	\$28,057.25	\$ -	\$87,057.25	\$115,114.50	\$1,202,000.00
13	6/15/2015	\$0.00	4.45%	\$26,744.50	\$ -	\$26,744.50		\$1,202,000.00
14	12/15/2015	\$62,000.00	4.45%	\$26,744.50	\$ -	\$88,744.50	\$115,489.00	\$1,140,000.00
15	6/15/2016	\$0.00	4.45%	\$25,365.00	\$ -	\$25,365.00		\$1,140,000.00
16	12/15/2016	\$65,000.00	4.45%	\$25,365.00	\$ -	\$90,365.00	\$115,730.00	\$1,075,000.00
17	6/15/2017	\$0.00	4.45%	\$23,918.75	\$ -	\$23,918.75		\$1,075,000.00
18	12/15/2017	\$68,000.00	4.45%	\$23,918.75	\$ -	\$91,918.75	\$115,837.50	\$1,007,000.00
19	6/15/2018	\$0.00	4.45%	\$22,405.75	\$ -	\$22,405.75		\$1,007,000.00
20	12/15/2018	\$71,000.00	4.45%	\$22,405.75	\$ -	\$93,405.75	\$115,811.50	\$936,000.00
21	6/15/2019	\$0.00	4.45%	\$20,826.00	\$ -	\$20,826.00		\$936,000.00
22	12/15/2019	\$74,000.00	4.45%	\$20,826.00	\$ -	\$94,826.00	\$115,652.00	\$862,000.00
23	6/15/2020	\$0.00	4.45%	\$19,179.50	\$ -	\$19,179.50		\$862,000.00
24	12/15/2020	\$77,000.00	4.45%	\$19,179.50	\$ -	\$96,179.50	\$115,359.00	\$785,000.00
25	6/15/2021	\$0.00	4.45%	\$17,466.25	\$ -	\$17,466.25		\$785,000.00
26	12/15/2021	\$81,000.00	4.45%	\$17,466.25	\$ -	\$98,466.25	\$115,932.50	\$704,000.00
27	6/15/2022	\$0.00	4.45%	\$15,664.00	\$ -	\$15,664.00		\$704,000.00
28	12/15/2022	\$84,000.00	4.45%	\$15,664.00	\$ -	\$99,664.00	\$115,328.00	\$620,000.00
29	6/15/2023	\$0.00	4.45%	\$13,795.00	\$ -	\$13,795.00		\$620,000.00
30	12/15/2023	\$88,000.00	4.45%	\$13,795.00	\$ -	\$101,795.00	\$115,590.00	\$532,000.00
31	6/15/2024	\$0.00	4.45%	\$11,837.00	\$ -	\$11,837.00		\$532,000.00
32	12/15/2024	\$92,000.00	4.45%	\$11,837.00	\$ -	\$103,837.00	\$115,674.00	\$440,000.00
33	6/15/2025	\$0.00	4.45%	\$9,790.00	\$ -	\$9,790.00		\$440,000.00
34	12/15/2025	\$96,000.00	4.45%	\$9,790.00	\$ -	\$105,790.00	\$115,580.00	\$344,000.00
35	6/15/2026	\$0.00	4.45%	\$7,654.00	\$ -	\$7,654.00		\$344,000.00
36	12/15/2026	\$100,000.00	4.45%	\$7,654.00	\$ -	\$107,654.00	\$115,308.00	\$244,000.00
37	6/15/2027	\$0.00	4.45%	\$5,429.00	\$ -	\$5,429.00		\$244,000.00
38	12/15/2027	\$105,000.00	4.45%	\$5,429.00	\$ -	\$110,429.00	\$115,858.00	\$139,000.00
39	6/15/2028	\$0.00	4.45%	\$3,092.75	\$ -	\$3,092.75		\$139,000.00
40	12/15/2028	\$139,000.00	4.45%	\$3,092.75	\$ (29,040.00)	\$113,052.75	\$116,145.50	\$0.00
		\$1,536,000.00		\$804,468.03	(\$29,040.00)	\$2,311,428.03		

\* Payment number 1 is estimated to be funded from Capitalized Interest.

\*\* Payment number 2 is estimated to be partially funded from Capitalized Interest.

See Accountant's Compilation Report


**AMORTIZATION SCHEDULE**

Name of Lessee: Deer Creek Water District  
 Name of Lessor: BOK Financial Equipment Finance, Inc.  
 Principal Amount of Lease: \$91,767.61  
 Interest Rate on Lease: 2.82%  
 Payments: Semi-Annually in Arrears  
 Payment Amount: \$7,269.02  
 Interest Start Date: March 17, 2016

Date	Payment	Interest	Principal	Ending Balance
3/17/2016	\$ 0.00	\$ 0.00	\$(91,767.61)	\$91,767.61
9/17/2016	\$7,269.02	\$1,293.92	\$5,975.09	\$85,792.52
3/17/2017	\$7,269.02	\$1,209.67	\$6,059.34	\$79,733.17
9/17/2017	\$7,269.02	\$1,124.24	\$6,144.78	\$73,588.39
3/17/2018	\$7,269.02	\$1,037.60	\$6,231.42	\$67,356.97
9/17/2018	\$7,269.02	\$949.73	\$6,319.28	\$61,037.69
3/17/2019	\$7,269.02	\$860.63	\$6,408.39	\$54,629.30
9/17/2019	\$7,269.02	\$770.27	\$6,498.74	\$48,130.56
3/17/2020	\$7,269.02	\$678.64	\$6,590.38	\$41,540.18
9/17/2020	\$7,269.02	\$585.72	\$6,683.30	\$34,856.88
3/17/2021	\$7,269.02	\$491.48	\$6,777.54	\$28,079.34
9/17/2021	\$7,269.02	\$395.92	\$6,873.10	\$21,206.25
3/17/2022	\$7,269.02	\$299.01	\$6,970.01	\$14,236.24
9/17/2022	\$7,269.02	\$200.73	\$7,068.29	\$ 7,167.95
3/17/2023	\$7,269.02	\$101.07	\$7,167.95	\$ 0.00
<b>Total</b>	<b>\$101,766.24</b>	<b>\$9,998.63</b>	<b>\$ 0.00</b>	


NOTE: All figures shown on this Spreadsheet are based upon current interest rates and historical expenses associated with similar lease purchase obligations. They are CERTAIN to change before the date interest starts on the lease. These figures should not be considered a prediction of the actual associated with the lease. They are only a best estimate of current costs.

**LESSOR'S ACCEPTANCE:**  
 BOK Financial Equipment Finance, Inc.

By:   
 Zane Burgess, President

Date: \_\_\_\_\_

**LESSEE'S ACCEPTANCE:**  
 Deer Creek Water District

By:   
 Bruce L. McQuaid, Chairman & President

Date: 3-30-16

**AMORTIZATION SCHEDULE**

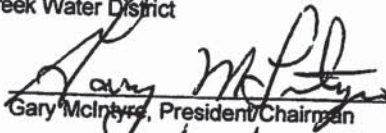
Name of Lessee: Deer Creek Water District  
 Name of Lessor: BOK Financial Equipment Finance, Inc.  
 Principal Amount of Lease: \$72,000.00  
 Interest Rate on Lease: 2.64%  
 Payments: Semi-Annually in Arrears  
 Payment Amount: \$6,037.30  
 Interest Start Date: November 17, 2016

Date	Payment	Interest	Principal	Ending Balance
11/17/2016	\$ 0.00	\$ 0.00	\$(72,000.00)	\$72,000.00
3/17/2017	\$6,037.30	\$633.60	\$5,403.70	\$66,596.30
9/17/2017	\$6,037.30	\$879.07	\$5,158.23	\$61,438.07
3/17/2018	\$6,037.30	\$810.98	\$5,226.32	\$56,211.76
9/17/2018	\$6,037.30	\$742.00	\$5,295.30	\$50,916.46
3/17/2019	\$6,037.30	\$672.10	\$5,365.20	\$45,551.25
9/17/2019	\$6,037.30	\$601.28	\$5,436.02	\$40,115.23
3/17/2020	\$6,037.30	\$529.52	\$5,507.78	\$34,607.46
9/17/2020	\$6,037.30	\$456.82	\$5,580.48	\$29,026.98
3/17/2021	\$6,037.30	\$383.16	\$5,654.14	\$23,372.83
9/17/2021	\$6,037.30	\$308.52	\$5,728.78	\$17,644.06
3/17/2022	\$6,037.30	\$232.90	\$5,804.40	\$11,839.66
9/17/2022	\$6,037.30	\$156.28	\$5,881.01	\$5,958.64
3/17/2023	\$6,037.30	\$78.65	\$5,958.64	\$ 0.00
Total	\$78,484.88	\$6,484.88	\$ 0.00	

**LESSOR'S ACCEPTANCE:**  
 BOK Financial Equipment Finance, Inc.

By: \_\_\_\_\_  
 Zane Burgess, President  
 Date: \_\_\_\_\_

**LESSEE'S ACCEPTANCE:**  
 Deer Creek Water District

By:   
 Gary McIntyre, President/Chairman  
 Date: 11/17/16



**SCHILLING & COMPANY, INC.**

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086  
FAX: 720.348.2920

## **Accountant's Compilation Report**

Board of Directors  
Deer Creek Water District  
Elbert County, Colorado

Management is responsible for the accompanying financial statements and other financial information of Deer Creek Water District as of and for the year ended December 31, 2017, included in the accompanying prescribed form (Application for Exemption from Audit). 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 and other financial information included in the accompanying prescribed form nor were we required to perform 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.

### **Other Matter**

The Application for Exemption from Audit is presented in accordance with the requirements of the State of Colorado's Office of the State Auditor, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

*SCHILLING & COMPANY, INC.*

March 14, 2018

## Certificate of Completion

Envelope Id: 650735D67F774FE28D4495A2B825416C	Status: Sent
Subject: Please DocuSign: Deer Creek Water District 12-31-17 Exemption from Audit.pdf	
Source Envelope:	
Document Pages: 12	Signatures: 3
Certificate Pages: 2	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Neil Schilling
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	PO Box 631579
	nil
	Littleton, CO 80163
	neilschilling@schillingcpas.com
	IP Address: 67.176.119.229

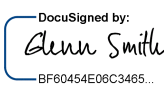
## Record Tracking


Status: Original	Holder: Neil Schilling	Location: DocuSign
3/15/2018 9:43:40 AM	neilschilling@schillingcpas.com	

## Signer Events

Signature	Timestamp
Dave Lunka dlunka@q.com Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign	Sent: 3/15/2018 10:12:49 AM

Gary McIntyre ggmcintyre01@gmail.com Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign	 <small>DocuSigned by: 54EDEEEE409F44B...</small> Using IP Address: 97.122.171.211	Sent: 3/15/2018 10:12:48 AM Viewed: 3/15/2018 6:09:59 PM Signed: 3/17/2018 7:53:15 AM
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Glenn Smith gesmit13@hotmail.com Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign	 <small>DocuSigned by: BF60454E06C3465...</small> Using IP Address: 97.122.165.155	Sent: 3/15/2018 10:12:49 AM Viewed: 3/15/2018 3:52:36 PM Signed: 3/15/2018 3:53:09 PM
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Lyle Penner lpenner6@msn.com Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign	 <small>DocuSigned by: B7DCD492B8A6459...</small> Using IP Address: 71.218.77.79	Sent: 3/15/2018 10:12:48 AM Viewed: 3/19/2018 7:04:36 AM Signed: 3/19/2018 7:08:14 AM
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Tom Cornelius my5acres@hotmail.com Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign		Sent: 3/15/2018 10:12:49 AM Viewed: 3/15/2018 6:07:28 PM
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## In Person Signer Events

## Signature

## Timestamp

<b>Editor Delivery Events</b>	<b>Status</b>	<b>Timestamp</b>
<b>Agent Delivery Events</b>	<b>Status</b>	<b>Timestamp</b>
<b>Intermediary Delivery Events</b>	<b>Status</b>	<b>Timestamp</b>
<b>Certified Delivery Events</b>	<b>Status</b>	<b>Timestamp</b>
<b>Carbon Copy Events</b>	<b>Status</b>	<b>Timestamp</b>
<b>Notary Events</b>	<b>Signature</b>	<b>Timestamp</b>
<b>Envelope Summary Events</b>	<b>Status</b>	<b>Timestamps</b>
Envelope Sent	Hashed/Encrypted	3/15/2018 10:12:49 AM
<b>Payment Events</b>	<b>Status</b>	<b>Timestamps</b>