

APPLICATION FOR EXEMPTION FROM AUDIT - LONG FORM - FOR GOVERNMENTS WITH REVENUES OR EXPENDITURES GREATER THAN \$100,000 BUT NOT MORE THAN \$500,000

Name of Government:	EAST BOULDER COUNTY WATER DISTRICT	For the Fiscal Year Ended December 31, 2007 or fiscal year ended:
Address:	P.O. BOX 18641 BOULDER, CO 80308-1641	
Contact Person:	MARY M. WAGNER	
Telephone:	720-231-4079	
E-Mail:		
Fax:		

Return to: Office of the State Auditor
 Local Government Audit Division
 225 E. 16th Ave., Suite 555
 Denver, CO 80203
Fax: (303) 866-4062
 Email: OSA.LG@state.co.us

Call (303) 866-3338 if you need help completing this form.

Section 29-1-604, C.R.S. outlines the provisions for an exemption from audit. Generally, any local government where neither revenues nor expenditures exceed \$500,000 in any fiscal year qualify for an exemption.
If either revenues or expenditures are \$100,000 or greater, but not more than \$500,000, you may use this form. If both revenues and expenditures are less than \$100,000 individually, use the short form application for exemption from audit.

- Instructions:
- In order to ensure that your government's application will be accepted by the Office of the State Auditor, you must do the following:
1. Prepare this form completely and accurately.
 2. File this form with the Office of the State Auditor within **3 months** after the end of the fiscal year. For years ended December 31, the form **must** be received by the Office of the State Auditor by March 31.
 3. The form **must** be completed by an independent accountant (separate from the entity) with knowledge of governmental accounting.
 4. The application may be **mailed, faxed, or emailed** as indicated above. If faxed or emailed, a resolution of the governing board **must** accompany the application from exemption from audit in a format that includes the signatures of a majority of the governing body (see sample resolution). If mailed, an original plus one copy should be sent.
 5. The **preparer must sign** the application that is submitted in order for it to be accepted.
 6. Additional information may be attached to the exemption at the preparer's discretion.

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.

Name: DAN SCHOMMER	Title: SHAREHOLDER
Firm Address: WATKINS & SCHOMMER, INC.	
Firm Address: 1220 11TH AVENUE #200 GREELEY, CO 80631	
Date Prepared: 1-30-08	Telephone Number: 970-352-1700

Signature:

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 \$500,000. Please describe what your relationship is with the entity.**

** Independent means someone who is separate from the entity.

PART 1 - Financial Statements - Balance Sheet

Ln #	Description	Governmental Funds		Proprietary/Fiduciary Funds	
		Fund*	Fund*	WATER Fund*	Fund*
1	Assets				
2	Cash & Cash Equivalents	\$ -	\$ -	\$ 58,851	\$ -
3	Investments	\$ -	\$ -	\$ 160,714	\$ -
4	Receivables	\$ -	\$ -	\$ 5,487	\$ -
5	Due from other Entities or Funds	\$ -	\$ -	\$ -	\$ -
6	Other Assets (specify)	\$ -	\$ -	\$ 1,560,225	\$ -
7		\$ -	\$ -	\$ 2,386	\$ -
8		\$ -	\$ -	\$ 61,024	\$ -
9		\$ -	\$ -	\$ 1,693,757	\$ -
10	Total Assets (add lines 2 through 9)	\$ -	\$ -	\$ 3,542,444	\$ -
11					
12	Liabilities and Fund Equity				
13	Liabilities				
14	Accounts Payable	\$ -	\$ -	\$ 33,368	\$ -
15	Accrued Payroll and Related Liabilities	\$ -	\$ -	\$ 1,286	\$ -
16	Accrued Interest Payable	\$ -	\$ -	\$ 8,753	\$ -
17	Due to other Entities or Funds	\$ -	\$ -	\$ -	\$ -
18		\$ -	\$ -	\$ 1,670,000	\$ -
19	Other Liabilities (specify)	\$ -	\$ -	\$ -	\$ -
20		\$ -	\$ -	\$ -	\$ -
21		\$ -	\$ -	\$ -	\$ -
22		\$ -	\$ -	\$ -	\$ -
23		\$ -	\$ -	\$ -	\$ -
24		\$ -	\$ -	\$ -	\$ -
25		\$ -	\$ -	\$ -	\$ -
26	Total Liabilities (add lines 14 through 25)	\$ -	\$ -	\$ 1,713,407	\$ -
27	Equity				
28					
29	Fund Equity				
30	Emergency Reserves	\$ -	\$ -	\$ 10,887	\$ -
31	Other Designations/Reserves	\$ -	\$ -	\$ 84,581	\$ -
32	Restricted	\$ -	\$ -	\$ -	\$ -
33	Undesignated/Unreserved/Unrestricted	\$ -	\$ -	\$ 1,843,344	\$ -
34	Total Equity (add lines 30 through 33 - this total should be the same as line 101 on page 4)	\$ -	\$ -	\$ 1,829,037	\$ -
35	Total Liabilities and Equity (add lines 26 and 34- this total should be the same as line 10)	\$ -	\$ -	\$ 3,542,444	\$ -

*Indicate Name of Fund
 Note: Attach additional sheets as necessary.

Please Check the box below to indicate the basis of accounting used to complete this form:

<input checked="" type="checkbox"/> Accrual Basis	<input type="checkbox"/> Cash Basis	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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PART 2a - Financial Statements - Operating Statement - Revenue

	Governmental Funds		Proprietary/Fiduciary Funds		Total of All Funds
	Fund*	Fund*	Fund*	Fund*	
36	Revenues and Other Financing Sources				
37	Taxes				
38	Property	\$ -	\$ -	\$ 195,253	\$ -
39	Specific Ownership	\$ -	\$ -	\$ 13,453	\$ -
40	Sales and Use Tax	\$ -	\$ -	\$ -	\$ -
41	Other (specify)	\$ -	\$ -	\$ -	\$ -
42		\$ -	\$ -	\$ -	\$ -
43		\$ -	\$ -	\$ -	\$ -
44		\$ -	\$ -	\$ -	\$ -
45	Licenses and Permits	\$ -	\$ -	\$ -	\$ -
46	Intergovernmental				
47	Highway User Tax	\$ -	\$ -	\$ -	\$ -
48	Mineral Leasing	\$ -	\$ -	\$ -	\$ -
49	Conservation Trust Fund (Lottery funds)	\$ -	\$ -	\$ -	\$ -
50	Community Development Block Grant	\$ -	\$ -	\$ -	\$ -
51	Fire & Police Pension	\$ -	\$ -	\$ -	\$ -
52	Other (specify)	\$ -	\$ -	\$ -	\$ -
53		\$ -	\$ -	\$ 2,292	\$ -
54		\$ -	\$ -	\$ -	\$ -
55	Charges for Sales and Services	\$ -	\$ -	\$ 141,060	\$ -
56	Rental Income	\$ -	\$ -	\$ -	\$ -
57	Fines and Forfeits	\$ -	\$ -	\$ -	\$ -
58	Interest/Investment Income	\$ -	\$ -	\$ 10,849	\$ -
59	Tap fees	\$ -	\$ -	\$ -	\$ -
60	Total Revenues (Add lines 38 through 59)	\$ -	\$ -	\$ 362,907	\$ -
61		\$ -	\$ -	\$ -	\$ -
62	Other Financing Sources				
63	Debt Proceeds	\$ -	\$ -	\$ -	\$ -
64	Proceeds from Sale of Capital Assets	\$ -	\$ -	\$ -	\$ -
65	Other (specify)	\$ -	\$ -	\$ -	\$ -
66	Total Other Financing Sources (Add lines 63 through 65)	\$ -	\$ -	\$ -	\$ -
67					
68	Total Revenues and Other Financing Sources (Add lines 38 through 66)	\$ -	\$ -	\$ 362,907	\$ 362,907

PART 2b - Financial Statements - Operating Statement - Expenditures

	Governmental Funds		Proprietary/Fiduciary Funds		Total of All Funds
	Fund*	Fund*	Fund*	Fund*	
69 Expenditures					
70 General Government	\$ -	\$ -	\$ 8,872	\$ -	
71 Judicial	\$ -	\$ -	\$ 2,598	\$ -	
72 Public Safety	\$ -	\$ -	\$ 776	\$ -	
73 Law Enforcement	\$ -	\$ -	\$ -	\$ -	
74 Fire	\$ -	\$ -	\$ -	\$ -	
75 Other (specify)	\$ -	\$ -	\$ 3,365	\$ -	
76 Public Works	\$ -	\$ -	\$ 3,813	\$ -	
77 Highways & Streets	\$ -	\$ -	\$ 10,014	\$ -	
78 Solid Waste	\$ -	\$ -	\$ -	\$ -	
79 Other (specify)	\$ -	\$ -	\$ 3,648	\$ -	
80 Health	\$ -	\$ -	\$ -	\$ -	
81 Culture and Recreation	\$ -	\$ -	\$ 75,652	\$ -	
82 Other (specify)	\$ -	\$ -	\$ -	\$ -	
83 Capital Outlay	\$ -	\$ -	\$ 48,532	\$ -	
84 Debt Service	\$ -	\$ -	\$ -	\$ -	
85 Principal	\$ -	\$ -	\$ 80,000	\$ -	
86 Interest	\$ -	\$ -	\$ 109,254	\$ -	
87 Bond Issuance Costs	\$ -	\$ -	\$ 2,924	\$ -	
88 Other (specify)	\$ -	\$ -	\$ -	\$ -	
89	\$ -	\$ -	\$ -	\$ -	
90	\$ -	\$ -	\$ -	\$ -	
91 Total Expenditures (Add lines 70 through 90)	\$ -	\$ -	\$ 349,448	\$ -	\$ 349,448
92 Net Interfund Transfers In (Out)	\$ -	\$ -	\$ -	\$ -	
93	\$ -	\$ -	\$ -	\$ -	
94	\$ -	\$ -	\$ -	\$ -	
95	\$ -	\$ -	\$ 33,915	\$ -	
96	\$ -	\$ -	\$ 48,532	\$ -	
97	\$ -	\$ -	\$ 80,000	\$ -	
98	\$ -	\$ -	\$ 94,617	\$ -	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures (Line 68, plus line 92, less line 91)	\$ -	\$ -	\$ 108,076	\$ -	
Fund Equity, January 1 (from December 31 prior year report)	\$ -	\$ -	\$ 1,720,961	\$ -	
Fund Equity, December 31 (add lines 99 and 100 - this total should be the same as line 34 in PART 101 1)	\$ -	\$ -	\$ 1,829,037	\$ -	

Note: Attach additional sheets as necessary.

Please Check the box below to indicate the basis of accounting used to complete this form:

<input checked="" type="checkbox"/> Accrual Basis	<input type="checkbox"/> Cash Basis	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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PART 3 - DEBT OUTSTANDING, ISSUED AND RETIRED

Please answer the following questions by marking in the appropriate boxes.						Yes	No	
3-1	Does the entity have debt?					Yes		
If yes:	Is the debt repayment schedule attached? If no, please explain:					Yes		
	Please complete the following debt schedule, if applicable	Outstanding at beginning of fiscal year	Total issued during fiscal year (add)	Total retired during fiscal year (less)	Total outstanding at fiscal year end	Governmental (G) or Proprietary (P)		
	General Obligation Bonds	\$ 1,750,000	\$ -	\$ 80,000	\$ 1,670,000			
	Revenue Bonds	\$ -	\$ -	\$ -	\$ -			
	Notes/Loans	\$ -	\$ -	\$ -	\$ -			
	Leases	\$ -	\$ -	\$ -	\$ -			
	Other (specify):	\$ -	\$ -	\$ -	\$ -			
	Total	\$ 1,750,000	\$ -	\$ 80,000	\$ 1,670,000			
Please answer the following questions by marking in the appropriate boxes.						Yes	No	
3-2	Does the entity have authorized, but unissued debt?						NO	
If yes:	How much?	\$ -						
	Date debt was authorized:							
3-3	Does the entity intend to issue debt within the next calendar year (2008)?							
If yes:	How much?	\$ -						
Please answer the following question by marking in the appropriate boxes.						Yes	No	
3-4	Does the entity have defeased debt?						NO	
If yes:	What is the amount outstanding?	\$ -						
Please answer the following questions by marking in the appropriate boxes.						Yes	No	
3-5	Does the entity have any lease agreements?						NO	
If yes:	What is being leased?							
	What is the original date of the lease?							
	Number of years of lease?							
	Is the lease subject to annual appropriation?							
	What are the entity's annual lease payments?	\$ -						

PART 4 - CASH AND INVESTMENTS HELD AT END OF FISCAL YEAR

	Checking Accounts	Savings Accounts	Certificates of Deposit	Investments (list below)	Total	
4-1	Deposits	\$ 58,851	\$ -	\$ -	\$ 58,851	
4-2	Investments			\$ 160,714	\$ 160,714	
	Total				\$ 219,565	
	List Investments by Type (If investment is a mutual fund, please list underlying investments):				Total	
4-2(a)	COLOTRUST				\$ 160,714	
4-2(b)					\$ -	
4-2(c)					\$ -	
4-2(d)					\$ -	
	Total Investments				\$ 160,714	
Please answer the following questions by marking in the appropriate boxes.					Yes	No
4-3	Are the entity's deposits in an eligible (PDPA) public depository? (Section 11-10.5-101 et. Seq., C.R.S.) If no, please explain:				Yes	

PART 5 - CAPITAL ASSETS

		Beginning of the Year	Additions	Deletions	End of Year Balance	
5-1	For Governmental Funds					
	Land	\$ -	\$ -	\$ -	\$ -	
	Buildings	\$ -	\$ -	\$ -	\$ -	
	Machinery and Equipment	\$ -	\$ -	\$ -	\$ -	
	Furniture and Fixtures	\$ -	\$ -	\$ -	\$ -	
	Infrastructure				\$ -	
	Accumulated Depreciation			\$ -	\$ -	
	Other	\$ -	\$ -	\$ -	\$ -	
	Total for Governmental Funds	\$ -	\$ -	\$ -	\$ -	
		Beginning of the Year	Additions	Deletions	End of Year Balance	
5-2	For Proprietary Funds					
	Land	\$ -	\$ -	\$ -	\$ -	
	Buildings	\$ -	\$ -	\$ -	\$ -	
	Machinery and Equipment	\$ -	\$ -	\$ -	\$ -	
	Furniture and Fixtures	\$ -	\$ -	\$ -	\$ -	
	Infrastructure	\$ 1,695,760	\$ 48,532	\$ -	\$ 1,744,292	
	Accumulated Depreciation	\$ (150,152)	\$ (33,915)	\$ -	\$ (184,067)	
	Other	\$ -	\$ -	\$ -	\$ -	
	Total for Proprietary Funds	\$ 1,545,608	\$ 14,617	\$ -	\$ 1,560,225	
Please Answer the following questions by marking in the appropriate boxes.					Yes	No
5-3	Did the entity inventory the capital assets? (Section 29-1-506, C.R.S.)? If no, please explain: Capital Assets are a Water Tank, Pump Station & Water Lines				Yes	

PART 6 - PENSION INFORMATION

		Yes	No
Please Answer the following questions by marking in the appropriate boxes.			
6-1	Does the entity have an "old hire" fire pension plan?		No
6-2	Does the entity have a volunteer firemen's pension plan?		No
If yes:	Who administers the plan?		
	Indicate the contributions from:		
	Tax: (Property, SO, Sales, etc)	\$ -	
	State Contribution Amount:	\$ -	
	Other: (Gifts, Donations, etc)	\$ -	
	What is your monthly benefit paid for 20 years of service per retiree as of Jan 1st?	\$ -	

PART 7 - BUDGET INFORMATION

		Yes	No
Please Answer the following questions by marking in the appropriate boxes.			
7-1	Did the entity file a 2007 budget with the Department of Local Affairs? If no, please explain:	Yes	
If yes:	Please indicate the amount appropriated for each of your funds for 2007:		
	Fund Name	Budgeted 2007 Expenditures	
		\$ -	
	Water	\$ 155,400	
	Debt Service	\$ 195,250	
		\$ -	

PART 8 - TABOR

Please Answer the following questions by marking in the appropriate boxes.		Yes	No
8-1	Is the entity in compliance with all the provisions of TABOR? [State Constitution Article X, Section 20 (5)]? If no, please explain:	Yes	
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3% emergency reserve requirement. In this case, you should see if the entity meets this requirement and check yes or no above.			

PART 9 - GENERAL INFORMATION

Please Answer the following questions by marking in the appropriate boxes.		Yes	No
9-1	Is this entity a newly formed governmental entity?		No
9-2	Is this a metropolitan district?		No
9-3	Please indicate what services are provided:		
9-4	Does the entity have an agreement with another government entity to provide services?	Yes	
If yes:	List the name of the other government entity and the services provided:		

PART 10 - GOVERNING BODY APPROVAL

We, the undersigned, certify that this Application for Exemption from Audit has been:

- Prepared consistent with Section 29-1-604, C.R.S., which states that an application with revenues or expenditures at least \$100,000 but not more than \$500,000 **must** be prepared by an independent accountant with knowledge of governmental accounting.
- Completed to the best of our knowledge and is **accurate** and **true**.
- Reviewed and approved by a **majority** of the governing body

Note: Please list all current members of the governing body. In addition, original signatures must be provided for a majority of those listed.

1	Name (please print or type all current members of the governing body)	Date Term Expires	Original Signature (unless resolution is attached)
2	Mark A. Johns	Dec. 2010	
3	Richard Moeller	Dec. 2010	
4	J. Nicholas Bennett	Dec. 2008	
5	Robert B Champ	Dec. 2008	
6			
7			
8			

RESOLUTION FOR EXEMPTION FROM AUDIT

(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION /ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2007 FOR THE EAST BOULDER COUNTY WATER DISTRICT, STATE OF COLORADO.

WHEREAS, the Board of Directors of East Boulder County Water District wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S. states that any local government where neither revenues nor expenditures exceed five hundred thousand dollars may, with the approval of the state auditor, be exempt from the provisions of Section 29-1-603, C.R.S.; and

(2) WHEREAS, neither revenues nor expenditures for East Boulder County Water District exceeded \$500,000 for fiscal year 2007; and

WHEREAS, an application for exemption from audit for East Boulder County Water District has been prepared by Watkins & Schommer, Inc., independent accountants, with knowledge of government; and

WHEREAS, said application from exemption from audit has been completed in accordance with regulation issued by the state auditor.

NOW THEREFORE, be it resolved/ordained by the Board of Directors of the East Boulder County Water District that the application for exemption from audit for East Boulder County Water District for the fiscal year ended December 31, 2007, has been reviewed and is hereby approved by a majority of the Board of Directors of the East Boulder County Water District; that those members of the Board of Directors have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of the application for exemption from audit of the East Boulder County Water District for the fiscal year ended December 31, 2007.

ADOPTED THIS ___ day of _____, A.D. 2008.

President

ATTEST:

Secretary

<u>Type or Print Names of Members of Governing Body</u>	<u>Date Term Expires</u>	<u>Signature</u>
<u>Mark A. Johns</u>	<u>12-10</u>	_____
<u>Richard Moeller</u>	<u>12-10</u>	_____
<u>J. Nicholas Bennett</u>	<u>12-08</u>	_____
<u>Robert B. Champ</u>	<u>12-08</u>	_____