

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT	HANOVER FIRE PROTECTION DISTRICT
ADDRESS	13325 OLD PUEBLO RD FOUNTAIN, CO 80817
CONTACT PERSON	VICKI LEAF
PHONE	719-330-9669
EMAIL	LEAF.VICKI@GMAIL.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:	JOHN M KOPENHAFFER	
TITLE	CPA	
FIRM NAME (if applicable)	WILLIAMS AND KOPENHAFFER, PC	
ADDRESS	524 SOUTH CASCADE #7, COLORADO SPRINGS, CO 80903	
PHONE	719-635-0440	
DATE PREPARED <small>(Must be Completed prior to Board approval)</small>	2/13/2018	
RELATIONSHIP TO ENTITY	NONE	

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	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
		Fund*	Fund*		Fund*	Fund*	
Assets				Assets			
1-1	Cash & Cash Equivalents	\$ 370,383	\$ -	Cash & Cash Equivalents	\$ -	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ 232,009	\$ -	
1-3	Receivables	\$ -	\$ -	Receivables	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ 3,290	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets (specify)			Other Current Assets	\$ -	\$ -	
1-5		\$ -	\$ -				
1-6		\$ -	\$ -	Total Current Assets	\$ 232,009	\$ -	
1-7		\$ -	\$ -	Capital Assets, net (from Part 6-4)	\$ -	\$ -	
1-8		\$ -	\$ -	Other Long Term Assets (specify)	\$ -	\$ -	
1-9		\$ -	\$ -		\$ -	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 373,673	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 232,009	\$ -	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 373,673	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 232,009	\$ -	
Liabilities				Liabilities			
1-14	Accounts Payable	\$ 4,850	\$ -	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	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -	
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -	
1-19	TOTAL CURRENT LIABILITIES	\$ 4,850	\$ -	TOTAL CURRENT LIABILITIES	\$ -	\$ -	
1-20	All Other Liabilities (specify)	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -	
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	\$ 4,850	\$ -	(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 (specify): TABOR RESERVE	\$ 12,850	\$ -	Emergency Reserves	\$ -	\$ -	
1-33	Committed: (specify)	\$ -	\$ -	Other Designations/Reserves	\$ 232,009	\$ -	
1-34	Assigned (specify)	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ 355,973	\$ -	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	\$ 368,823	\$ -	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL NET POSITION	\$ 232,009	\$ -	
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	\$ 373,673	\$ -	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	\$ 232,009	\$ -	

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		Fund	Fund		
Tax Revenue				Tax Revenue				
2-1	Property	\$ 292,685	\$ -	Property	\$ -	\$ -		
2-2	Specific Ownership	\$ 42,353	\$ -	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	\$ 335,038	\$ -	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	\$ 17,026	\$ -		
2-14	Grants	\$ -	\$ -	Grants	\$ -	\$ -		
2-15	Donations	\$ 16,454	\$ -	Donations	\$ -	\$ -		
2-16	Charges for Sales and Services	\$ 189,860	\$ -	Charges for Sales and Services	\$ -	\$ -		
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -		
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -		
2-19	Interest/Investment Income	\$ 169	\$ -	Interest/Investment Income	\$ 6,738	\$ -		
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	\$ -		
2-21	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -		
2-22	All Other (specify): MISC, INSURANCE CLAIM - 4,285	\$ 12,183	\$ -	All Other (specify):	\$ -	\$ -		
2-23		\$ -	\$ -		\$ -	\$ -		
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 553,704	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 23,764	\$ -		
Other Financing Sources				Other Financing Sources				
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -		
2-26	Proceeds from Sale of Capital Assets	\$ 19,170	\$ -	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	\$ 19,170	\$ -	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	\$ 572,874	\$ -	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 23,764	\$ -	GRAND TOTALS	
							\$ 596,638	

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*		Fund*	Fund*	
	Expenditures			Expenditures			
3-1	General Government	\$ 22,174	\$ -	General Operating & Administrative	\$ 4,217	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ 306,550	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ 17,026	\$ -	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	\$ 43,903	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal	\$ 30,365	\$ -	Principal	\$ -	\$ -	
3-16	Interest	\$ 2,738	\$ -	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	\$ 422,756	\$ -	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 4,217	\$ -	GRAND TOTAL \$ 426,973
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 2-28)	\$ -	\$ -	
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 2-29, less line 3-22, plus line 3-29	\$ 150,118	\$ -	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	\$ 19,547	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ 218,705	\$ -	Net Position, January 1 from December 31 prior year report	\$ 212,462	\$ -	
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.	\$ 368,823	\$ -	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ 232,009	\$ -	

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"/> |

Please use this space to provide any explanations or comments:

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

General obligation bonds

Revenue bonds

Notes/Loans

Leases

Developer Advances

Other (specify):

	Outstanding at beginning of year	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ 93,781	\$ -	\$ 30,365	\$ 63,416
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 93,781	\$ -	\$ 30,365	\$ 63,416

*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? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: How much? | \$ - | |
| If yes: Date the debt was authorized: | - | |
| 4-6 Does the entity intend to issue debt within the next calendar year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: How much? | \$ - | |
| 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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| If yes: What is being leased? | FIRE TRUCKS | |
| What is the original date of the lease? | JULY 15 2014 | |
| Number of years of lease? | 5 | |
| Is the lease subject to annual appropriation? | <input type="checkbox"/> | <input type="checkbox"/> |
| What are the annual lease payments? | \$ 33,103 | |
| 4-9 Does the entity have a certified mill levy? | <input type="checkbox"/> | <input type="checkbox"/> |

If yes: Please provide the following mills levied for the year reported (do not enter \$ amounts):

Bond Redemption	0.00
General/Other	7.37
TOTAL	7.37

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	\$ 366,466	
5-2 Certificates of deposit	\$ -	
TOTAL CASH DEPOSITS		\$ 366,466
Investments (if investment is a mutual fund, please list underlying investments):		
5-3 COLOTRUST	\$ 3,917	
MASS MUTUAL PENSION FUND	\$ 232,009	
	\$ -	
	\$ -	
TOTAL INVESTMENTS		\$ 235,926
TOTAL CASH AND INVESTMENTS		\$ 602,392

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 |
| 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 11-10.5-101, et seq. C.R.S.)? If no, MUST explain: | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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	\$ 40,000	\$ -	\$ -	\$ 40,000
Buildings	\$ 634,186	\$ -	\$ -	\$ 634,186
Machinery and equipment	\$ 1,453,904	\$ 43,903		\$ 1,497,807
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (1,053,773)	\$ (133,135)		\$ (1,186,908)
TOTAL	\$ 1,074,317	\$ (89,232)	\$ -	\$ 985,085

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, SD, 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? 150

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:

8-2 Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:

If yes: Please indicate the amount appropriated for each fund for the year reported

Fund Name	Budgeted Expenditures
GENERAL	\$ 485,896
	\$ -
	\$ -
	\$ -

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.

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:

10-2 Has the entity changed its name in the past or current year?

If Yes: NEW name

PRIOR name

10-3 Is the entity a metropolitan district?

10-4 Please indicate what services the entity provides:

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:

MUTUAL AID AGREEMENTS WITH ADJOINING DISTRICTS ON A NON-REIMBURSIBLE BASIS

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

OSA USE ONLY

Entity Wide:	General Fund	Governmental Funds	Enterprise Funds	Notes
Unrestricted Cash & Investments	\$ 602,392	\$ 355,973	\$ 335,038	
Current Liabilities	\$ 4,850	\$ 368,823	\$ 553,704	
Deferred Inflow	-	\$ 218,705	\$ 572,874	
	-	\$ 572,874	\$ 30,365	
	-	\$ 422,756	\$ 2,738	
Governmental				
Total Cash & Investments	\$ 370,383			
Transfers In	-		\$ 232,009	
Transfers Out	-		\$ 212,462	
Property Tax	\$ 292,685			
Debt Service Principal	\$ 30,365			
Total Expenditures	\$ 422,756			
Total Developer Advances	-			
Total Developer Repayments	-			
	-	\$ 232,009		

Lease/Purchase Agreement



EXHIBIT B

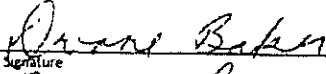
PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of July 15, 2014, between Kansas State Bank of Manhattan (Obligee) and Hanover Fire Protection District (Obligor)

Date of First Payment: October 21, 2015
Original Balance: \$151,950.00
Total Number of Payments: Five (5)
Number of Payments Per Year: One (1)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	21-Oct-15	\$33,103.23	\$4,436.94	\$28,666.29	\$124,924.47
2	21-Oct-16	\$33,103.23	\$3,599.89	\$29,503.34	\$94,781.95
3	21-Oct-17	\$33,103.23	\$2,738.39	\$30,364.84	\$63,925.05
4	21-Oct-18	\$33,103.23	\$1,851.74	\$31,251.49	\$32,336.84
5	21-Oct-19	\$33,103.23	\$939.19	\$32,164.04	\$0.00

Hanover Fire Protection District



Signature

Duane Baker Board Pres.

Printed Name and Title

*Assumes all Contract Payments due to date are paid

RESOLUTION FOR EXEMPTION FROM AUDIT
(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017 FOR THE HANOVER FIRE PROTECTION DISTRICT, STATE OF COLORADO.

WHEREAS, the Hanover Fire Protection District Board of Directors 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

WHEREAS, neither revenues nor expenditures for Hanover Fire Protection District exceeded \$750,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for Hanover Fire Protection District has been prepared by Williams and Kopenhafer, P.C., an independent accountant with knowledge of governmental accounting; and

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

NOW THEREFORE, be it resolved by the Board of Directors of Hanover Fire Protection District that the application for exemption from audit for Hanover Fire Protection District for the fiscal year ended December 31, 2017, has been reviewed and is hereby approved by a majority of the Board of Directors of Hanover Fire Protection 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 Hanover Fire Protection District for the fiscal year ended December 31, 2017.

ADOPTED THIS 13 day of March, A.D. 2018.

Dwane Baker
President

18
Term Expires

Dwane Baker
Signature

ATTEST:

Board Member

Term Expires

Signature

Cathy Junglen

18

Cathy Junglen

Dwight Smith

20

Dwight Smith

Lori Hall-Underwood

18

Lori Hall-Underwood

WILLIAMS AND KOPENHAFER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

James R. Williams
John M. Kopenhafer

(719) 635-0440
Fax 635-5384

To the Board of Directors
Hanover Fire Protection District
Calhan, CO

Management is responsible for the accompanying financial statements of Hanover Fire Protection District, which comprise the balance sheet-cash basis as of December 31, 2017, and the related operating statement-cash basis for the year then ended, included in the accompanying prescribed form. 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.

Other Matter

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

Williams and Kopenhafer, P.C.

Williams and Kopenhafer, P.C.
Colorado Springs, CO
March 7, 2018