APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT	**Canyon Creek Metro District No. 3**	For the Year Ended 12/31/22 or fiscal year ended:
ADDRESS	**121 South Tejon Street**	
	Suite 1100	
	Colorado Springs, CO 80903	
CONTACT PERSON	**Carrie Bartow**	
PHONE	**719-635-0330**	
EMAIL	Carrie.Bartow@claconnect.com	

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:	Carrie Bartow
TITLE	Accountant for the District
FIRM NAME (if applicable)	CliftonLarsonAllen LLP
ADDRESS	121 South Tejon Street, Suite 1100, Colorado Springs, CO 80903
PHONE	719-635-0330
DATE PREPARED	2/28/2023

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
	☑	☐

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description			Round to nearest Dollar
2-1	Taxes:	Property	(report mills levied in Question 10-6)	$ 43,972
2-2		Specific ownership		$ 5,154
2-3		Sales and use		$ -
2-4		Other (specify):		$ -
2-5	Licenses and permits			$ -
2-6	Intergovernmental:		Grants	$ -
2-7			Conservation Trust Funds (Lottery)	$ -
2-8			Highway Users Tax Funds (HUTF)	$ -
2-9			Other (specify):	$ -
2-10	Charges for services			$ -
2-11	Fines and forfeits			$ -
2-12	Special assessments			$ -
2-13	Investment income			$ 846
2-14	Charges for utility services			$ -
2-15	Debt proceeds		(should agree with line 4-4, column 2)	$ -
2-16	Lease proceeds			$ -
2-17	Developer Advances received		(should agree with line 4-4)	$ -
2-18	Proceeds from sale of capital assets			$ -
2-19	Fire and police pension			$ -
2-20	Donations			$ -
2-21	Other (specify):			$ -
2-22				$ -
2-23				$ -
2-24	(add lines 2-1 through 2-23)		TOTAL REVENUE	$ 49,972

Please use this space to provide any necessary explanations

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description		Round to nearest Dollar
3-1	Administrative		$ 672
3-2	Salaries		$ -
3-3	Payroll taxes		$ -
3-4	Contract services		$ -
3-5	Employee benefits		$ -
3-6	Insurance		$ -
3-7	Accounting and legal fees		$ -
3-8	Repair and maintenance		$ -
3-9	Supplies		$ -
3-10	Utilities and telephone		$ -
3-11	Fire/Police		$ -
3-12	Streets and highways		$ -
3-13	Public health		$ -
3-14	Capital outlay		$ -
3-15	Utility operations		$ -
3-16	Culture and recreation		$ -
3-17	Debt service principal	(should agree with Part 4)	$ -
3-18	Debt service interest		$ -
3-19	Repayment of Developer Advance Principal	(should agree with line 4-4)	$ -
3-20	Repayment of Developer Advance Interest		$ -
3-21	Contribution to pension plan	(should agree to line 7-2)	$ -
3-22	Contribution to Fire & Police Pension Assoc.	(should agree to line 7-2)	$ -
3-23	Other (specify):		
3-24	Transfer to Canyon Creek District No. 1		$ 12,327
3-25	Transfer to Colorado Springs URA		$ 36,973
3-26	(add lines 3-1 through 3-24)	TOTAL EXPENDITURES/EXPENSES	$ 49,972

Please use this space to provide any necessary explanations

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than $100,000 - STOP. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

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? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	☐	☑
4-2 Is the debt repayment schedule attached? If no, MUST explain:	☐	☑
4-3 Is the entity current in its debt service payments? If no, MUST explain:	☐	☑

4-4

Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	$ -	$ -	$ -	$ -
Revenue bonds	$ -	$ -	$ -	$ -
Notes/Loans	$ -	$ -	$ -	$ -
Lease Liabilities	$ -	$ -	$ -	$ -
Developer Advances	$ -	$ -	$ -	$ -
Other (specify):	$ -	$ -	$ -	$ -
TOTAL	$ -	$ -	$ -	$ -

*must tie 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?		☑	☐
If yes: How much?	$ 60,000,000.00		
Date the debt was authorized:	11/4/2008		
4-6 Does the entity intend to issue debt within the next calendar year?		☐	☑
If yes: How much?	$ -		
4-7 Does the entity have debt that has been refinanced that it is still responsible for?		☐	☑
If yes: What is the amount outstanding?	$ -		
4-8 Does the entity have any lease agreements?		☐	☑
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 annual lease payments?	$ -		

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	$ -	
5-2 Certificates of deposit	$ -	
Total Cash Deposits		$ -
Investments (if investment is a mutual fund, please list underlying investments):		
5-3 Colotrust	$ 406	
	$ -	
	$ -	
	$ -	
Total Investments		$ 406
Total Cash and Investments		$ 406

Please answer the following questions by marking in the appropriate boxes	Yes	No	N/A
5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	☑	☐	☐
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 use this space to provide any explanations:

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following questions by marking in the appropriate boxes.

		Yes	No
6-1	Does the entity have capital assets?	☐	☑
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:	☐	☑

6-3

Complete the following capital & right-to-use assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	$ -	$ -	$ -	$ -
Buildings	$ -	$ -	$ -	$ -
Machinery and equipment	$ -	$ -	$ -	$ -
Furniture and fixtures	$ -	$ -	$ -	$ -
Infrastructure	$ -	$ -	$ -	$ -
Construction In Progress (CIP)	$ -	$ -	$ -	$ -
Leased Right-to-Use Assets	$ -	$ -	$ -	$ -
Other (explain):	$ -	$ -	$ -	$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	$ -	$ -	$ -	$ -
TOTAL	$ -	$ -	$ -	$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

		Yes	No
7-1	Does the entity have an "old hire" firefighters' pension plan?	☐	☑
7-2	Does the entity have a volunteer firefighters' pension plan?	☐	☑

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	$ -
State contribution amount:	$ -
Other (gifts, donations, etc.):	$ -
TOTAL	$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

		Yes	No	N/A
8-1	Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?	☑	☐	☐
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 budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	$ 12,909
Debt Service Fund	$ 38,477

PART 9 - TAXPAYER'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.	☑	☐

If no, MUST explain:

PART 10 - GENERAL INFORMATION

	Please answer the following questions by marking in the appropriate boxes.	Yes	No
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:	**Please list the NEW name & PRIOR name:**		
10-3	**Is the entity a metropolitan district?**	☑	☐
	Please indicate what services the entity provides: See notes section		
10-4	**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:** See notes section		
10-5	**Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during**	☐	☑
If yes:	**Date Filed:**		
10-6	**Does the entity have a certified Mill Levy?**	☑	☐
If yes:	**Please provide the following mills levied for the year reported (do not report $ amounts):**		

Bond Redemption mills	30.000
General/Other mills	10.000
Total mills	40.000

Please use this space to provide any explanations or comments:

10-3: Roads and utility lines to be dedicated to the City of Colorado Springs

10-4: Intergovernmental Agreement with Canyon Creek Metropolitan District No. 1 and 2.

PART 11 - GOVERNING BODY APPROVAL			
	Please answer the following question by marking in the appropriate box	**YES**	**NO**
12-1	**If you plan to submit this form electronically, have you read the new Electronic Signature Policy?**	☑	☐

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

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.

	Print the names of ALL members of current governing body below. Print Board Member's Name	A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Kathleen Guadagnoli	I Kathleen Guadagnoli , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed DocuSigned by: Kathleen Guadagnoli 8895FB1A8AF94C7... Date: 3/27/2023 My term Expires: May 2025
Board Member 2	Kenneth Kurica	I Kenneth Kurica , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed DocuSigned by: 39D75CE76D2D4A7... Date: 3/28/2023 My term Expires: May 2023
Board Member 3	Mark Morley	I Mark Morley, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed DocuSigned by: Mark Morley A482704C0D97433... Date: 3/28/2023 My term Expires: May 2023
Board Member 4		I , attest 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 5		I , attest 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 6		I _____ , attest 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		I _____ , attest 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:_____

DocuSign Envelope ID: 5CE78A1E-A4BC-4724-9139-F111D3B37163

CliftonLarsonAllen LLP
121 S. Tejon., Suite 1100
Colorado Springs, CO 80903

phone 719-365-0330 fax 719-473-3630
CLAconnect.com

Accountant's Compilation Report

Board of Directors
Canyon Creek Metropolitan District No. 3
El Paso County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Canyon Creek Metropolitan District No. 3 as of and for the year ended December 31, 2022, 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 American Institute of Certified Public Accountants. 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 the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Canyon Creek District No. 3.

CliftonLarsonAllen LLP

Colorado Springs, Colorado
February 28, 2023

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

DocuSign

Certificate Of Completion

Envelope Id: 5CE78A1EA4BC47249139F111D3B37163
Status: Completed
Subject: Complete with DocuSign: 1 - Canyon Creek MD No. 3 - 2022 Audit Exemption - Signed.pdf
Client Name: Canyon Creek Metro District No. 3
Client Number: A194830
Source Envelope:

Document Pages: 8
Certificate Pages: 5
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-06:00) Central Time (US & Canada)

Signatures: 3
Initials: 0

Envelope Originator:
CJ Cook
220 S 6th St Ste 300
Minneapolis, MN 55402-1418
cj.cook@claconnect.com
IP Address: 50.169.146.162

Record Tracking

Status: Original
3/27/2023 11:40:25 AM

Holder: CJ Cook
cj.cook@claconnect.com

Location: DocuSign

Signer Events	Signature	Timestamp
Kathleen Guadagnoli Kathy_guadagnoli@yahoo.com President Security Level: Email, Account Authentication (None)	DocuSigned by: Kathleen Guadagnoli 8895FB1A8AE94C7... Signature Adoption: Pre-selected Style Using IP Address: 15.181.16.89	Sent: 3/27/2023 11:44:11 AM Viewed: 3/27/2023 11:50:57 AM Signed: 3/27/2023 11:51:54 AM
Electronic Record and Signature Disclosure: Accepted: 3/27/2023 11:50:57 AM ID: 88a45d6d-4880-449d-a5f8-fc27987e57cd		
Kenneth Kurica kkurica@intranerve.com Security Level: Email, Account Authentication (None)	DocuSigned by: 39D75CE76D2D4A7... Signature Adoption: Drawn on Device Using IP Address: 174.230.130.130 Signed using mobile	Sent: 3/27/2023 11:44:12 AM Resent: 3/28/2023 12:41:37 PM Viewed: 3/28/2023 1:09:12 PM Signed: 3/28/2023 1:09:57 PM
Electronic Record and Signature Disclosure: Accepted: 3/28/2023 1:09:12 PM ID: 2c64867d-7ca1-4dbc-92b9-bc63586eded3		
Mark Morley markmorley20@aol.com Security Level: Email, Account Authentication (None)	DocuSigned by: Mark Morley A482704C0D97433... Signature Adoption: Pre-selected Style Using IP Address: 98.38.108.238	Sent: 3/27/2023 11:44:13 AM Resent: 3/28/2023 12:41:38 PM Viewed: 3/28/2023 12:43:01 PM Signed: 3/28/2023 12:43:22 PM
Electronic Record and Signature Disclosure: Accepted: 3/28/2023 12:43:01 PM ID: 69cfec66-17e5-4878-ad5e-9a70c232f5db		

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/27/2023 11:44:13 AM
Certified Delivered	Security Checked	3/28/2023 12:43:01 PM
Signing Complete	Security Checked	3/28/2023 12:43:22 PM
Completed	Security Checked	3/28/2023 1:09:57 PM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: https://support.docusign.com/guides/signer-guide-signing-system-requirements.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.