

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

1806.02

NAME OF GOVERNMENT ADDRESS	Aberdeen Metropolitan District No. 2 8390 E. Crescent Parkway Suite 500 Greenwood Village, CO 80111
CONTACT PERSON	Kevin Collins
PHONE	303-779-5710
EMAIL	Kevin.Collins@claconnect.com
FAX	303-779-0348

For the Year Ended
12/31/17
or fiscal year ended:

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:	Kevin Collins
TITLE	Accountant for the District
FIRM NAME (if applicable)	CliftonLarsonAllen LLP
ADDRESS	8390 E Crescent Parkway, Suite 500, Greenwood Village, CO 80111
PHONE	303-779-5710
DATE PREPARED (Must be prepared prior to Board approval)	March 1, 2018

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 <small>(MODIFIED ACCRUAL BASIS)</small>	PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

P

RECEIVED

Office of the State Auditor

March 27, 2018

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	Please use this space to provide any necessary explanations
2-1	Taxes: Property	\$ 75,128	
2-2	Specific ownership	\$ 7,250	
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	\$ 625	
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	\$ 83,003	

PART 3 - EXPENDITURES

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	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 1,555	
3-2	Salaries	\$ 700	
3-3	Payroll taxes	\$ 54	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 4,312	
3-7	Accounting and legal fees	\$ 11,252	
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	Culture and recreation	\$ -	
3-15	Utility operations	\$ -	
3-16	Capital outlay	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ 40,886	
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		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$ 58,759	

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? Yes No
 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: Yes No

4-3 Is the entity current in its debt service payments? If no, MUST explain: Yes No

See explanation at Page 5

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	\$ 2,090,000	\$ -	\$ -	\$ 2,090,000
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 2,090,000	\$ -	\$ -	\$ 2,090,000

*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? Yes No

If yes: How much? \$ 32,110,000

Date the debt was authorized: 11/5/2003

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?

What is the original date of the lease?

Number of years of lease?

Is the lease subject to annual appropriation? Yes No

What are the annual lease payments? \$ -

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 report \$ amounts):

Bond Redemption	50.000
General/Other	49.000
TOTAL	99.000

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	\$ 2,480	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ 2,480
Investments (if investment is a mutual fund, please list underlying investments):		
5-3 CSAFE	\$ 57,725	
	\$ -	
	\$ -	
	\$ -	
Total Investments		\$ 57,725
Total Cash and Investments		\$ 60,205

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.? 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.)? Yes No N/A

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL 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:

The District's asset consists of a clubhouse. No inventory necessary.

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be Included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ 659,081	\$ -	\$ -	\$ 659,081
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Please enter a negative, or credit, balance)	\$ (138,407)	\$ (13,182)	\$ -	\$ (151,589)
TOTAL	\$ 520,674	\$ (13,182)	\$ -	\$ 507,492

*must tie to prior year ending balance

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" firemen's pension plan?
- 7-2 Does the entity have a volunteer firemen's 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.?
- 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:

General Fund	\$ 35,000
Debt Service Fund	\$ 42,429

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:
- 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:
- 10-5** 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.]
 If yes: Date Filed:

Please use this space to provide any explanations or comments:

4-3: Currently pledged revenue of the District is not sufficient to pay when due the debt service requirements with respect to the District's G.O. bonds. For so long as the District levies the Maximum Required Mill Levy, the inability of the District to pay the debt service requirements with respect to the bonds when they come due does not constitute an event of default. For 2017, the District levied the Maximum Required Mill Levy of 50.000 mills.

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1 Have you read the new Electronic Signature Policy and do you plan on submitting signatures in accordance with this 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 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 James W. Harmon	I, James W. Harmon, 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: <u>[Signature]</u> Date: <u>3/15/18</u> My term Expires: May 2018
Board Member 2	Print Board Member's Name Lawrence P. Jacobson	I, Lawrence P. Jacobson, 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: <u>[Signature]</u> Date: <u>3/15/18</u> My term Expires: May 2018
Board Member 3	Print Board Member's Name Mark C. Rehm	I, Mark C. Rehm, 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: <u>[Signature]</u> Date: <u>3-8-18</u> My term Expires: May 2020
Board Member 4	Print Board Member's Name Lauren Morley	I, Lauren 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: <u>[Signature]</u> Date: <u>3/15/18</u> My term Expires: May 2020
Board Member 5	Print Board Member's Name	
Board Member 6	Print Board Member's Name	
Board Member 7	Print Board Member's Name	

**Original Signatures
Verified by**
Justin L. Smith
[Signature]

ABERDEEN METROPOLITAN DISTRICT NO. 2
SCHEDULE of BOND DEBT SERVICE REQUIREMENTS

AS OF DECEMBER 16, 2005 AND THROUGH THE CALENDAR YEARS ENDING THROUGH 2035

Series 2005 Bond Issue												
Dated:		December 16, 2005	\$2,090,000									
Issued:		December 16, 2005										
Interest Rates:		7.0% - 7.05%										
Year	Scheduled Debt Service		Total 2005 Bonds Debt Service	Actual Principal Paid	Actual Interest Paid	Unpaid Principal	Unpaid Interest	Interest on Unpaid Amounts	Total Unpaid Amounts	Bond Principal Outstanding	Total Debt Outstanding	Year
	Principal	Interest										
6/1/2006		67,189.38	67,189.38		(67,189.38)		-	-	-	2,090,000.00	2,090,000.00	6/1/2006
12/1/2006	-	73,297.50	73,297.50		(73,297.50)		-	-	-	2,090,000.00	2,090,000.00	12/1/2006
6/1/2007		73,297.50	73,297.50		(73,297.50)		-	-	-	2,090,000.00	2,090,000.00	6/1/2007
12/1/2007		73,297.50	73,297.50		(73,297.50)		-	-	-	2,090,000.00	2,090,000.00	12/1/2007
6/1/2008		73,297.50	73,297.50		(73,297.50)		-	-	-	2,090,000.00	2,090,000.00	6/1/2008
12/1/2008		73,297.50	73,297.50		(73,297.50)		-	-	-	2,090,000.00	2,090,000.00	12/1/2008
6/1/2009		73,297.50	73,297.50		(73,297.50)		-	-	-	2,090,000.00	2,090,000.00	6/1/2009
12/1/2009		73,297.50	73,297.50		(73,297.50)		-	-	-	2,090,000.00	2,090,000.00	12/1/2009
6/1/2010		73,297.50	73,297.50		(73,297.50)		-	-	-	2,090,000.00	2,090,000.00	6/1/2010
12/1/2010	15,000.00	73,297.50	88,297.50		(5,736.41)	15,000.00	67,561.09		82,561.09	2,090,000.00	1,977,561.09	12/1/2010
6/1/2011		72,772.50	72,772.50		(1,442.59)		71,329.95	2,889.64	156,780.68	2,090,000.00	2,051,780.68	6/1/2011
12/1/2011		72,772.50	72,772.50		(1,515.43)		71,257.07	5,487.32	233,525.07	2,090,000.00	2,128,525.07	12/1/2011
6/1/2012		72,772.50	72,772.50		(13,326.97)		59,445.53	8,173.38	301,143.98	2,090,000.00	2,196,143.98	6/1/2012
12/1/2012	20,000.00	72,772.50	92,772.50		(15,311.37)	20,000.00	57,461.13	10,540.04	389,145.15	2,090,000.00	2,284,145.15	12/1/2012
6/1/2013		72,072.50	72,072.50		-		72,072.50	13,620.08	474,837.73	2,090,000.00	2,369,837.73	6/1/2013
12/1/2013	25,000.00	72,072.50	97,072.50		-	25,000.00	72,072.50	16,619.32	588,529.55	2,090,000.00	2,483,529.55	12/1/2013
6/1/2014		71,197.50	71,197.50		(30,658.37)		40,539.13	20,598.53	649,667.21	2,090,000.00	2,544,667.21	6/1/2014
12/1/2014	30,000.00	71,197.50	101,197.50		(10,148.65)	30,000.00	61,048.85	22,738.55	763,454.42	2,090,000.00	2,658,454.42	12/1/2014
6/1/2015		70,147.50	70,147.50		(16,512.67)		53,634.83	26,720.90	843,810.15	2,090,000.00	2,738,810.15	6/1/2015
12/1/2015	30,000.00	70,147.50	100,147.50		(10,658.59)	30,000.00	59,488.91	29,533.36	962,832.42	2,090,000.00	2,857,832.42	12/1/2015
6/1/2016		69,097.50	69,097.50		(126,791.78)		(57,694.28)	33,699.13	938,837.27	2,090,000.00	3,028,837.27	6/1/2016
12/1/2016	35,000.00	69,097.50	104,097.50		(10,125.81)	35,000.00	58,971.69	32,859.30	1,065,668.26	2,090,000.00	3,155,668.26	12/1/2016
6/1/2017		67,872.50	67,872.50		(29,219.65)		38,652.85	37,298.39	1,141,619.50	2,090,000.00	3,231,619.50	6/1/2017
12/1/2017	40,000.00	67,872.50	107,872.50		(11,666.67)	40,000.00	56,205.83	39,956.68	1,277,782.02	2,090,000.00	3,367,782.02	12/1/2017
6/1/2018		66,472.50	66,472.50		-		-	-	-	-	-	6/1/2018
12/1/2018	45,000.00	66,472.50	111,472.50		-		-	-	-	-	-	12/1/2018
6/1/2019		64,897.50	64,897.50		-		-	-	-	-	-	6/1/2019
12/1/2019	45,000.00	64,897.50	109,897.50		-		-	-	-	-	-	12/1/2019
6/1/2020		63,322.50	63,322.50		-		-	-	-	-	-	6/1/2020
12/1/2020	55,000.00	63,322.50	118,322.50		-		-	-	-	-	-	12/1/2020
6/1/2021		61,397.50	61,397.50		-		-	-	-	-	-	6/1/2021
12/1/2021	60,000.00	61,397.50	121,397.50		-		-	-	-	-	-	12/1/2021
6/1/2022		59,297.50	59,297.50		-		-	-	-	-	-	6/1/2022
12/1/2022	65,000.00	59,297.50	124,297.50		-		-	-	-	-	-	12/1/2022
6/1/2023		57,022.50	57,022.50		-		-	-	-	-	-	6/1/2023
12/1/2023	70,000.00	57,022.50	127,022.50		-		-	-	-	-	-	12/1/2023
6/1/2024		54,572.50	54,572.50		-		-	-	-	-	-	6/1/2024
12/1/2024	80,000.00	54,572.50	134,572.50		-		-	-	-	-	-	12/1/2024
6/1/2025		51,772.50	51,772.50		-		-	-	-	-	-	6/1/2025
12/1/2025	85,000.00	51,772.50	136,772.50		-		-	-	-	-	-	12/1/2025
6/1/2026		48,797.50	48,797.50		-		-	-	-	-	-	6/1/2026
12/1/2026	95,000.00	48,797.50	143,797.50		-		-	-	-	-	-	12/1/2026
6/1/2027		45,472.50	45,472.50		-		-	-	-	-	-	6/1/2027
12/1/2027	100,000.00	45,472.50	145,472.50		-		-	-	-	-	-	12/1/2027
6/1/2028		41,972.50	41,972.50		-		-	-	-	-	-	6/1/2028
12/1/2028	110,000.00	41,972.50	151,972.50		-		-	-	-	-	-	12/1/2028
6/1/2029		38,122.50	38,122.50		-		-	-	-	-	-	6/1/2029
12/1/2029	120,000.00	38,122.50	158,122.50		-		-	-	-	-	-	12/1/2029
6/1/2030		33,922.50	33,922.50		-		-	-	-	-	-	6/1/2030
12/1/2030	130,000.00	33,922.50	163,922.50		-		-	-	-	-	-	12/1/2030
6/1/2031		29,372.50	29,372.50		-		-	-	-	-	-	6/1/2031
12/1/2031	140,000.00	29,372.50	169,372.50		-		-	-	-	-	-	12/1/2031
6/1/2032		24,472.50	24,472.50		-		-	-	-	-	-	6/1/2032
12/1/2032	155,000.00	24,472.50	179,472.50		-		-	-	-	-	-	12/1/2032
6/1/2033		19,035.00	19,035.00		-		-	-	-	-	-	6/1/2033
12/1/2033	165,000.00	19,035.00	184,035.00		-		-	-	-	-	-	12/1/2033
6/1/2034		13,218.75	13,218.75		-		-	-	-	-	-	6/1/2034
12/1/2034	180,000.00	13,218.75	193,218.75		-		-	-	-	-	-	12/1/2034
6/1/2035		6,873.75	6,873.75		-		-	-	-	-	-	6/1/2035
12/1/2035	195,000.00	6,873.75	201,873.75		-		-	-	-	-	-	12/1/2035
	2,090,000.00	3,278,761.88	5,368,761.88		(936,684.30)	195,000.00	782,047.58	300,734.44				



CliftonLarsonAllen LLP

www.CLACONNECT.COM

Accountant's Compilation Report

Board of Directors
Aberdeen Metropolitan District No. 2
Adams County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Aberdeen Metropolitan District No. 2 as of and for the year ended December 31, 2017, 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 Aberdeen Metropolitan District No.2.

Greenwood Village, Colorado
March 1, 2018