

**APPLICATION FOR EXEMPTION FROM AUDIT****LONG FORM**NAME OF GOVERNMENT  
ADDRESSBNC Metropolitan District No. 2  
8390 E Crescent Parkway  
Suite 300  
Greenwood Village, CO 80111For the Year Ended  
12/31/2018  
or fiscal year ended:CONTACT PERSON  
PHONE  
EMAIL  
FAXJason Carroll  
303-779-5710  
Jason.Carroll@claconnect.com  
303-779-0348**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:  
TITLE  
FIRM NAME (if applicable)  
ADDRESS  
PHONE  
DATE PREPARED  
RELATIONSHIP TO ENTITYJason Carroll  
Accountant for the District  
CliftonLarsonAllen LLP  
8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111  
303-779-5710  
2/28/2019  
CPA Firm providing accounting services to the District**PREPARER** (SIGNATURE REQUIRED)**SEE ATTACHED 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:

**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
		General Fund	Debt Service Fund		Fund*	Fund*	
<b>Assets</b>				<b>Assets</b>			
1-1	Cash & Cash Equivalents	\$ 14,036	\$ 595	Cash & Cash Equivalents	\$ -	\$ -	
1-2	Investments	\$ -	\$ 6	Investments	\$ -	\$ -	
1-3	Receivables	\$ 115	\$ 489	Receivables	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ 303	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets [specify...]			Other Current Assets	\$ -	\$ -	
1-5	Property Tax Receivable	\$ 25,866	\$ 99,485				
1-6	Prepaid Expense	\$ 2,858	\$ -	<b>Total Current Assets</b>	\$ -	\$ -	
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) <b>TOTAL ASSETS</b>	\$ 43,178	\$ 100,575	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	\$ -	\$ -	
1-12	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -	
1-13	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ 43,178	\$ 100,575	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ -	\$ -	
<b>Liabilities</b>				<b>Liabilities</b>			
1-14	Accounts Payable	\$ 1,376	\$ 825	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	<b>TOTAL CURRENT LIABILITIES</b>	\$ 1,376	\$ 825	<b>TOTAL CURRENT LIABILITIES</b>	\$ -	\$ -	
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) <b>TOTAL LIABILITIES</b>	\$ 1,376	\$ 825	(add lines 1-19 through 1-27) <b>TOTAL LIABILITIES</b>	\$ -	\$ -	
1-29	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	\$ 25,866	\$ 99,485	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	\$ -	\$ -	
<b>Fund Balance</b>				<b>Net Position</b>			
1-30	Nonspendable Prepaid	\$ 2,858	\$ -	Net Investment in Capital Assets	\$ -	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -				
1-32	Restricted [specify...]	\$ 509	\$ 2,165	Emergency Reserves	\$ -	\$ -	
1-33	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ 12,569	\$ (1,900)	Undesignated/Unreserved/Unrestricted	\$ -	\$ -	
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL FUND BALANCE</b>	\$ 15,936	\$ 265	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL NET POSITION</b>	\$ -	\$ -	
1-37	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	\$ 43,178	\$ 100,575	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	\$ -	\$ -	

## 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
		General Fund	Debt Service Fund		Fund*	Fund*	
<b>Tax Revenue</b>				<b>Tax Revenue</b>			
2-1	Property [include mills levied in Question 10-6]	\$ 15,661	\$ 66,594	Property [include mills levied in Question 10-6]	\$ -	\$ -	Please use this space to provide explanation of any items on this page
2-2	Specific Ownership	\$ 1,312	\$ 5,581	Specific Ownership	\$ -	\$ -	
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -	
2-4	Other Tax Revenue [specify...]:	\$ -	\$ -	Other Tax Revenue [specify...]:	\$ -	\$ -	
2-5	Other Revenue	\$ 1	\$ -		\$ -	\$ -	
2-6		\$ -	\$ -		\$ -	\$ -	
2-7		\$ -	\$ -		\$ -	\$ -	
2-8	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</b>	<b>\$ 16,974</b>	<b>\$ 72,175</b>	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</b>	<b>\$ -</b>	<b>\$ -</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	\$ -	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ -	\$ 6	Interest/Investment Income	\$ -	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	\$ -	
2-21	Proceeds from Sale of Capital Assets	\$ -	\$ -	Proceeds from Sale of Capital Assets	\$ -	\$ -	
2-22	All Other [specify...]:	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -	
2-23		\$ -	\$ -		\$ -	\$ -	
2-24	<b>Add lines 2-8 through 2-23 TOTAL REVENUES</b>	<b>\$ 16,974</b>	<b>\$ 72,181</b>	<b>Add lines 2-8 through 2-23 TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Other Financing Sources</b>				<b>Other Financing Sources</b>			
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -	
2-26	Developer Advances	\$ 15,500	\$ -	Developer Advances	\$ -	\$ -	
2-27	Other [specify...]:	\$ -	\$ -	Other [specify...]:	\$ -	\$ -	
2-28	<b>Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES</b>	<b>\$ 15,500</b>	<b>\$ -</b>	<b>Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES</b>	<b>\$ -</b>	<b>\$ -</b>	
2-29	<b>Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ 32,474</b>	<b>\$ 72,181</b>	<b>Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ -</b>	<b>\$ -</b>	
						<b>\$</b>	<b>104,655</b>

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
		General Fund	Debt Service Fund		Fund*	Fund*	
<b>Expenditures</b>				<b>Expenditures</b>			
3-1	General Government	\$ 30,332	\$ 2,649	General Operating & Administrative	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ -	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ -	\$ -	
3-10	Transfers to other districts	\$ -	\$ -	Utilities	\$ -	\$ -	
3-11	Other [specify...]:	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other [specify...]	\$ -	\$ -	
3-13		\$ -	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -	
<b>Debt Service</b>				<b>Debt Service</b>			
3-15	Principal	\$ -	\$ -	Principal	\$ -	\$ -	
3-16	Interest	\$ -	\$ 69,445	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	<b>Add lines 3-1 through 3-21 TOTAL EXPENDITURES</b>	\$ 30,332	\$ 72,094	<b>Add lines 3-1 through 3-21 TOTAL EXPENDITURES</b>	\$ -	\$ -	<b>GRAND TOTAL</b> \$ 102,426
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In) Out	\$ -	\$ -	
3-24	Interfund Transfers Out	\$ -	\$ -	Other [specify...][enter negative for expense]	\$ -	\$ -	
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, 3-18)	\$ -	\$ -	
3-29	<b>(Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES</b>	\$ -	\$ -	<b>(Line 3-26, plus line 3-27, less line 3-24, less line 3-25) TOTAL GAAP RECONCILING ITEMS</b>	\$ -	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, plus line 3-29	\$ 2,142	\$ 87	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	\$ -	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ 13,794	\$ 178	Net Position, January 1 from December 31 prior year report	\$ -	\$ -	
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.	\$ 15,936	\$ 265	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ -	\$ -	

**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 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
		Capital Fund	Fund*		Fund*	Fund*	
<b>Assets</b>				<b>Assets</b>			
1-1	Cash & Cash Equivalents	\$ -	\$ -	Cash & Cash Equivalents	\$ -	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ -	\$ -	Receivables	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets [specify...]			Other Current Assets	\$ -	\$ -	
1-5		\$ -	\$ -				
1-6		\$ -	\$ -	Capital Assets, net (from Part 6-4)	\$ -	\$ -	
1-7		\$ -	\$ -	Other Long Term Assets [specify...]	\$ -	\$ -	
1-8		\$ -	\$ -		\$ -	\$ -	
1-9		\$ -	\$ -		\$ -	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	\$ -	\$ -	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	\$ -	\$ -	
1-12	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -	
1-13	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ -	\$ -	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ -	\$ -	
<b>Liabilities</b>				<b>Liabilities</b>			
1-14	Accounts Payable	\$ -	\$ -	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	\$ 303	\$ -	Due to Other Entities or Funds	\$ -	\$ -	
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -	
1-19	<b>TOTAL CURRENT LIABILITIES</b>	\$ 303	\$ -	<b>TOTAL CURRENT LIABILITIES</b>	\$ -	\$ -	
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) <b>TOTAL LIABILITIES</b>	\$ 303	\$ -	(add lines 1-19 through 1-27) <b>TOTAL LIABILITIES</b>	\$ -	\$ -	
1-29	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	\$ -	\$ -	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	\$ -	\$ -	
<b>Fund Balance</b>				<b>Net Position</b>			
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ -	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -				
1-32	Restricted [specify...]	\$ -	\$ -	Emergency Reserves	\$ -	\$ -	
1-33	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ (303)	\$ -	Undesignated/Unreserved/Unrestricted	\$ -	\$ -	
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL FUND BALANCE</b>	\$ (303)	\$ -	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL NET POSITION</b>	\$ -	\$ -	
1-37	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	\$ -	\$ -	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	\$ -	\$ -	

## 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
		Capital Fund	Fund*		Fund*	Fund*	
<b>Tax Revenue</b>				<b>Tax Revenue</b>			
2-1	Property [include mills levied in Question 10-6]	\$ -	\$ -	Property [include mills levied in Question 10-6]	\$ -	\$ -	
2-2	Specific Ownership	\$ -	\$ -	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	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</b>	\$ -	\$ -	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</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	\$ -	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ -	\$ -	Interest/Investment Income	\$ -	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	\$ -	
2-21	Proceeds from Sale of Capital Assets	\$ -	\$ -	Proceeds from Sale of Capital Assets	\$ -	\$ -	
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>	\$ -	\$ -	
<b>Other Financing Sources</b>				<b>Other Financing Sources</b>			
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -	
2-26	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -	
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>	\$ -	\$ -	<b>\$ -</b>

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
		Capital Fund	Fund*		Fund*	Fund*	
	<b>Expenditures</b>			<b>Expenditures</b>			
3-1	General Government	\$ -	\$ -	General Operating & Administrative	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ -	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ -	\$ -	
3-10	Transfers to other districts	\$ -	\$ -	Utilities	\$ -	\$ -	
3-11	Other [specify...]:	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other [specify...]	\$ -	\$ -	
3-13		\$ -	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ 303	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal	\$ -	\$ -	Principal	\$ -	\$ -	
3-16	Interest	\$ -	\$ -	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	<b>Add lines 3-1 through 3-21</b>	\$ 303	\$ -	<b>Add lines 3-1 through 3-21</b>	\$ -	\$ -	
	<b>TOTAL EXPENDITURES</b>			<b>TOTAL EXPENDITURES</b>			<b>GRAND TOTAL</b>
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In) Out	\$ -	\$ -	
3-24	Interfund Transfers Out	\$ -	\$ -	Other [specify...][enter negative for expense]	\$ -	\$ -	
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, 3-18)	\$ -	\$ -	
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>			
	<b>TOTAL TRANSFERS AND OTHER EXPENDITURES</b>	\$ -	\$ -	<b>TOTAL GAAP RECONCILING ITEMS</b>	\$ -	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, plus line 3-29	\$ (303)	\$ -	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	\$ -	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	Net Position, January 1 from December 31 prior year report	\$ -	\$ -	
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.	\$ (303)	\$ -	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ -	\$ -	

**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:

<p>4-1 Does the entity have outstanding debt? <input checked="" type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>4-2 Is the debt repayment schedule attached? If no, MUST explain: See page 12. <input checked="" type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>4-3 Is the entity current in its debt service payments? If no, MUST explain: See page 12. <input type="checkbox"/> YES    <input checked="" type="checkbox"/> NO</p> <p>4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: right;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 30%;"></th> <th style="width: 15%;">Outstanding at beginning of year*</th> <th style="width: 15%;">Issued during year</th> <th style="width: 15%;">Retired during year</th> <th style="width: 25%;">Outstanding at year-end</th> </tr> </thead> <tbody> <tr> <td>General obligation bonds</td> <td>\$ 5,000,000</td> <td>\$ -</td> <td>\$ -</td> <td>\$ 5,000,000</td> </tr> <tr> <td>Revenue bonds</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Notes/Loans</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Leases</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Developer Advances</td> <td>\$ 359,848</td> <td>\$ 15,500</td> <td>\$ -</td> <td>\$ 375,348</td> </tr> <tr> <td>Other (specify): Accrued interest in bonds and advances</td> <td>\$ 1,495,352</td> <td>\$ 843,673</td> <td>\$ -</td> <td>\$ 2,339,025</td> </tr> <tr style="font-weight: bold;"> <td>TOTAL</td> <td>\$ 6,855,200</td> <td>\$ 859,173</td> <td>\$ -</td> <td>\$ 7,714,373</td> </tr> </tbody> </table> <p style="font-size: small; margin-left: 150px;">*must agree to prior year ending balance</p>		Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end	General obligation bonds	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000	Revenue bonds	\$ -	\$ -	\$ -	\$ -	Notes/Loans	\$ -	\$ -	\$ -	\$ -	Leases	\$ -	\$ -	\$ -	\$ -	Developer Advances	\$ 359,848	\$ 15,500	\$ -	\$ 375,348	Other (specify): Accrued interest in bonds and advances	\$ 1,495,352	\$ 843,673	\$ -	\$ 2,339,025	TOTAL	\$ 6,855,200	\$ 859,173	\$ -	\$ 7,714,373	<p>Please use this space to provide any explanations or comments:</p>
	Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end																																					
General obligation bonds	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000																																					
Revenue bonds	\$ -	\$ -	\$ -	\$ -																																					
Notes/Loans	\$ -	\$ -	\$ -	\$ -																																					
Leases	\$ -	\$ -	\$ -	\$ -																																					
Developer Advances	\$ 359,848	\$ 15,500	\$ -	\$ 375,348																																					
Other (specify): Accrued interest in bonds and advances	\$ 1,495,352	\$ 843,673	\$ -	\$ 2,339,025																																					
TOTAL	\$ 6,855,200	\$ 859,173	\$ -	\$ 7,714,373																																					

Please answer the following questions by marking the appropriate boxes.

YES                      NO

<p>4-5 Does the entity have any authorized, but unissued, debt? How much? <input type="text" value="\$ 175,000,000"/> Date the debt was authorized: <input type="text" value="11/4/2003"/></p> <p>4-6 Does the entity intend to issue debt within the next calendar year? How much? <input type="text" value="\$ -"/></p> <p>4-7 Does the entity have debt that has been refinanced that it is still responsible for? What is the amount outstanding? <input type="text" value="\$ -"/></p> <p>4-8 Does the entity have any lease agreements? If yes: What is being leased? <input style="width: 100%;" type="text"/> What is the original date of the lease? <input style="width: 100%;" type="text"/> Number of years of lease? <input style="width: 100%;" type="text"/> Is the lease subject to annual appropriation? <input type="checkbox"/> YES    <input checked="" type="checkbox"/> NO What are the annual lease payments? <input type="text" value="\$ -"/></p>	<p><input checked="" type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p><input type="checkbox"/> YES    <input checked="" type="checkbox"/> NO</p> <p><input type="checkbox"/> YES    <input checked="" type="checkbox"/> NO</p> <p><input type="checkbox"/> YES    <input checked="" type="checkbox"/> NO</p> <p><input type="checkbox"/> YES    <input checked="" type="checkbox"/> NO</p>
--	---

## 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:

<b>5-1</b>	YEAR-END Total of ALL Checking and Savings accounts	\$ 14,631	
<b>5-2</b>	Certificates of deposit	\$ -	
TOTAL CASH DEPOSITS			\$ 14,631
Investments (if investment is a mutual fund, please list underlying investments):			
<b>5-3</b>		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
TOTAL INVESTMENTS			\$ -
TOTAL CASH AND INVESTMENTS			\$ 14,631

Please answer the following question by marking in the appropriate box

YES                      NO                      N/A

<p>5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.? 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:</p>	<p><input type="checkbox"/> YES    <input type="checkbox"/> NO    <input checked="" type="checkbox"/> N/A</p> <p><input checked="" type="checkbox"/> YES    <input type="checkbox"/> NO    <input type="checkbox"/> N/A</p>
--	---

### 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	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 365,100	\$ -	\$ -	\$ 365,100
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (167,946)	\$ (14,604)	\$ -	\$ (182,550)
<b>TOTAL</b>	<b>\$ 197,154</b>	<b>\$ (14,604)</b>	<b>\$ -</b>	<b>\$ 182,550</b>

**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)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*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, SO, sales, etc.):	\$	-
State contribution amount:	\$	-
Other (gifts, donations, etc.):	\$	-
<b>TOTAL</b>	<b>\$</b>	<b>-</b>

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

**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 budgeted for each fund for the year reported					
Fund Name		Budgeted Expenditures			
General Fund		\$ 45,000			
Debt Service Fund		\$ 73,924			
Capital Projects Fund		\$ 4,800,000			
		\$ -			

**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)]? government from the 3 percent emergency reserve requirement. All governments should determine if they meet this	<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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes: Date of formation:		<input type="text"/>		
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If Yes: NEW name		<input type="text"/>		
PRIOR name		<input type="text"/>		
10-3	Is the entity a metropolitan district?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
10-4	Please indicate what services the entity provides:	<input type="text" value="See comment."/>		
10-5	Does the entity have an agreement with another government to provide services?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If yes: List the name of the other governmental entity and the services provided:		<input type="text" value="See comment."/>		
10-6	Does the entity have a certified mill levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If yes: Please provide the number of mills levied for the year reported (do not enter \$ amounts):				
		Bond Redemption mills	55.277	
		General/Other mills	13.000	
		<b>Total mills</b>	<b>68.277</b>	

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 \$	14,631 Unrestricted Fund Balance \$	12,569 Total Tax Revenue \$	89,148
Current Liabilities \$	2,201 Total Fund Balance \$	15,936 Revenue Paying Debt Service \$	72,181
Deferred Inflow \$	125,351 PY Fund Balance \$	13,794 Total Revenue \$	104,654
	Total Revenue \$	32,473 Total Debt Service Principal \$	-
	Total Expenditures \$	30,332 Total Debt Service Interest \$	69,445
	Interfund In \$	-	
<b>Governmental</b>	14,637 Interfund Out \$	<b>Enterprise Funds</b>	
Total Cash & Investments \$	- <b>Proprietary</b>	Net Position \$	-
Transfers In \$	- Current Assets \$	- PY Net Position \$	-
Transfers Out \$	82,255 Deferred Outflow \$	- <b>Government-Wide</b>	
Property Tax \$	- Current Liabilities \$	- Total Outstanding Debt \$	7,681,039
Debt Service Principal \$	102,426 Deferred Inflow \$	- Authorized but Unissued \$	175,000,000
Total Expenditures \$	- Cash & Investments \$	- Year Authorized \$	37,929
Total Developer Advances \$	- Principal Expense \$	-	
Total Developer Repayments \$			

**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>Janis Emanuel</b>	I, Janis Emanuel, 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>Janis Emanuel</u> Date: <u>3/5/2019</u> My term Expires: 2022
Board Member 2	Print Board Member's Name <b>Robert Bol</b>	I, Robert Bol, 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 _____ Date: _____ My term Expires: 2020
Board Member 3	Print Board Member's Name <b>Theodore Antenucci</b>	I, Theodore Antenucci, 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>Theodore Antenucci</u> Date: <u>3/5/2019</u> My term Expires: 2022
Board Member 4	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 _____ Date: _____ My term Expires: _____
Board Member 5	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 _____ Date: _____ My term Expires: _____
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 _____ Date: _____ My term Expires: _____
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 _____ Date: _____ My term Expires: _____



CliftonLarsonAllen LLP  
www.CLACONnect.com

## Accountant's Compilation Report

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

Management is responsible for the accompanying Application for Exemption from Audit of BNC Metropolitan District No. 2 as of and for the year ended December 31, 2018, 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 BNC Metropolitan District No. 2.

A handwritten signature in black ink that reads 'CliftonLarsonAllen LLP' in a cursive, flowing script.

Greenwood Village, Colorado  
February 28, 2019

BNC Metropolitan District No. 2  
 Application for Exemption from Audit - Short Form  
 December 31, 2018

4-2: The District's debt is comprised of General Obligation bonds and developer advances, which are not G.O. debt. A debt service schedule has been provided for the G. O. bonds but not for the developer advances. Developer advances are to be repaid from appropriated funds if, and when eligible funds become available.

4-3: Currently, pledged revenue is not sufficient to pay when due the debt service requirements with respect to the 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 the respect to the Bonds when they come due does not constitute an event of default. The District has levied the Maximum Required Mill Levy of 50.000 mills.

4-4: See below for the details of this line item:

	Outstanding at end of prior year	Issued during fiscal year	Retired during fiscal year	Outstanding at end of fiscal year
Bond Principal	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000
Accrued and unpaid interest on bonds	1,307,213	814,806	-	2,122,019
Developer Advance Principal	359,848	15,500	-	375,348
Accrued and unpaid interest on developer advances	188,139	28,867	-	217,006
	<u>\$ 6,855,200</u>	<u>\$ 859,173</u>	<u>\$ -</u>	<u>\$ 7,714,373</u>

BNC METROPOLITAN DISTRICT NO. 2

SCHEDULE of BOND DEBT SERVICE REQUIREMENTS

AS OF FEBRUARY 24, 2005 AND THROUGH THE CALENDAR YEARS ENDING THROUGH 2035

Series 2005 Bond Issue												
Dated: February 24, 2005		\$5,000,000										
Issued: February 25, 2005												
Interest Rate: 8.00%												
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										
6/1/2005		107,777.78	107,777.78		(107,777.78)		-	-	-	5,000,000.00	5,000,000.00	6/1/2005
12/1/2005	-	200,000.00	200,000.00		(200,000.00)		-	-	-	5,000,000.00	5,000,000.00	12/1/2005
6/1/2006		200,000.00	200,000.00		(200,000.00)		-	-	-	5,000,000.00	5,000,000.00	6/1/2006
12/1/2006	-	200,000.00	200,000.00		(200,000.00)		-	-	-	5,000,000.00	5,000,000.00	12/1/2006
6/1/2007		200,000.00	200,000.00		(200,000.00)		-	-	-	5,000,000.00	5,000,000.00	6/1/2007
12/1/2007	-	200,000.00	200,000.00		(200,000.00)		-	-	-	5,000,000.00	5,000,000.00	12/1/2007
6/1/2008		200,000.00	200,000.00		(200,000.00)		-	-	-	5,000,000.00	5,000,000.00	6/1/2008
12/1/2008	-	200,000.00	200,000.00		(85,544.52)		114,455.48	-	114,455.48	5,000,000.00	5,114,455.48	12/1/2008
6/1/2009		200,000.00	200,000.00		(16,064.20)		183,935.80	4,578.22	302,969.50	5,000,000.00	5,302,969.50	6/1/2009
12/1/2009	-	200,000.00	200,000.00		(34,250.00)		165,750.00	12,118.78	480,838.28	5,000,000.00	5,480,838.28	12/1/2009
6/1/2010		200,000.00	200,000.00		(874.00)		199,126.00	19,233.53	699,197.81	5,000,000.00	5,699,197.81	6/1/2010
12/1/2010	40,000.00	200,000.00	240,000.00		(21,863.57)	40,000.00	178,136.43	27,967.91	905,302.15	5,000,000.00	5,905,302.15	12/1/2010
6/1/2011		198,400.00	198,400.00		(14,903.84)		185,096.16	36,212.09	1,126,610.40	5,000,000.00	6,126,610.40	6/1/2011
12/1/2011	45,000.00	198,400.00	243,400.00		(1,132.16)	45,000.00	198,867.84	45,064.42	1,370,542.65	5,000,000.00	6,370,542.65	12/1/2011
6/1/2012		196,600.00	196,600.00		(14,999.62)		185,000.38	54,821.71	1,610,364.74	5,000,000.00	6,610,364.74	6/1/2012
12/1/2012	45,000.00	196,600.00	241,600.00		(11,169.93)	45,000.00	188,830.07	64,414.59	1,863,609.40	5,000,000.00	6,863,609.40	12/1/2012
6/1/2013		194,800.00	194,800.00		(15,870.28)		184,129.72	74,544.38	2,122,283.50	5,000,000.00	7,122,283.50	6/1/2013
6/20/2013		-	-		-		-	94,210.63	2,216,494.13	5,000,000.00	7,216,494.13	6/20/2013
6/20/2013		-	-		(2,216,494.13)		-	-	(0.00)	5,000,000.00	5,000,000.00	6/20/2013
12/1/2013	45,000.00	194,800.00	239,800.00		(178,888.89)	45,000.00	21,111.11	(0.00)	21,111.11	5,000,000.00	5,021,111.11	12/1/2013
12/31/2013							33,333.33	<b>140.74</b>	54,585.18	<b>5,000,000.00</b>	<b>5,054,585.18</b>	12/31/2013
6/1/2014		193,000.00	193,000.00		(130,511.37)		69,488.63	844.44	91,444.18	5,000,000.00	5,091,444.18	6/1/2014
12/1/2014	60,000.00	193,000.00	253,000.00		(6,229.73)	60,000.00	193,770.27	3,657.77	288,872.22	5,000,000.00	5,288,872.22	12/1/2014
12/31/2014							33,333.33	<b>1,925.81</b>	324,131.36	<b>5,000,000.00</b>	<b>5,324,131.36</b>	12/31/2014
6/1/2015		190,600.00	190,600.00		(8,165.23)		191,834.77	11,554.89	492,261.88	5,000,000.00	5,492,261.88	6/1/2015
12/1/2015	65,000.00	190,600.00	255,600.00		(7,834.77)	65,000.00	192,165.23	19,690.48	704,117.58	5,000,000.00	5,704,117.58	12/1/2015
12/31/2015							33,333.33	<b>4,694.12</b>	742,145.03	<b>5,000,000.00</b>	<b>5,742,145.03</b>	12/31/2015
6/1/2016		188,000.00	188,000.00		(35,721.72)		164,278.28	28,164.70	896,560.57	5,000,000.00	5,896,560.57	6/1/2016
12/1/2016	75,000.00	188,000.00	263,000.00		(409.28)	75,000.00	199,590.72	35,862.42	1,132,013.71	5,000,000.00	6,132,013.71	12/1/2016
12/31/2016							33,333.33	<b>7,546.76</b>	1,172,893.80	<b>5,000,000.00</b>	<b>6,172,893.80</b>	12/31/2016
6/1/2017		185,000.00	185,000.00		(22,541.92)		177,458.08	45,280.55	1,354,752.34	5,000,000.00	6,354,752.34	6/1/2017
12/1/2017	80,000.00	185,000.00	265,000.00		(1,147.08)	80,000.00	198,852.92	54,190.09	1,607,795.35	5,000,000.00	6,607,795.35	12/1/2017
12/31/2017							33,333.33	<b>10,718.64</b>	1,651,847.32	<b>5,000,000.00</b>	<b>6,651,847.32</b>	12/31/2017
6/1/2018		181,800.00	181,800.00		(67,300.00)		132,700.00	64,311.81	1,804,807.16	5,000,000.00	6,804,807.16	6/1/2018
12/1/2018	100,000.00	181,800.00	281,800.00		(2,145.87)	100,000.00	197,854.13	72,192.29	2,074,853.58	5,000,000.00	7,074,853.58	12/1/2018
<b>12/31/2018</b>							<b>33,333.33</b>	<b>13,832.36</b>	<b>2,122,019.27</b>	<b>5,000,000.00</b>	<b>7,122,019.27</b>	<b>12/31/2018</b>
6/1/2019		177,800.00	177,800.00									6/1/2019
12/1/2019	105,000.00	177,800.00	282,800.00									12/1/2019
6/1/2020		173,600.00	173,600.00									6/1/2020
12/1/2020	120,000.00	173,600.00	293,600.00									12/1/2020
6/1/2021		168,800.00	168,800.00									6/1/2021
12/1/2021	130,000.00	168,800.00	298,800.00									12/1/2021
6/1/2022		163,600.00	163,600.00									6/1/2022
12/1/2022	150,000.00	163,600.00	313,600.00									12/1/2022
6/1/2023		157,600.00	157,600.00									6/1/2023
12/1/2023	160,000.00	157,600.00	317,600.00									12/1/2023
6/1/2024		151,200.00	151,200.00									6/1/2024
12/1/2024	185,000.00	151,200.00	336,200.00									12/1/2024
6/1/2025		143,800.00	143,800.00									6/1/2025
12/1/2025	195,000.00	143,800.00	338,800.00									12/1/2025
6/1/2026		136,000.00	136,000.00									6/1/2026
12/1/2026	220,000.00	136,000.00	356,000.00									12/1/2026
6/1/2027		127,200.00	127,200.00									6/1/2027
12/1/2027	240,000.00	127,200.00	367,200.00									12/1/2027
6/1/2028		117,600.00	117,600.00									6/1/2028
12/1/2028	265,000.00	117,600.00	382,600.00									12/1/2028
6/1/2029		107,000.00	107,000.00									6/1/2029
12/1/2029	285,000.00	107,000.00	392,000.00									12/1/2029
6/1/2030		95,600.00	95,600.00									6/1/2030
12/1/2030	320,000.00	95,600.00	415,600.00									12/1/2030
6/1/2031		82,800.00	82,800.00									6/1/2031
12/1/2031	345,000.00	82,800.00	427,800.00									12/1/2031
6/1/2032		69,000.00	69,000.00									6/1/2032
12/1/2032	380,000.00	69,000.00	449,000.00									12/1/2032
6/1/2033		53,800.00	53,800.00									6/1/2033
12/1/2033	410,000.00	53,800.00	463,800.00									12/1/2033
6/1/2034		37,400.00	37,400.00									6/1/2034
12/1/2034	450,000.00	37,400.00	487,400.00									12/1/2034
6/1/2035		19,400.00	19,400.00									6/1/2035
12/1/2035	485,000.00	19,400.00	504,400.00									12/1/2035
	5,000,000.00	9,328,577.78	14,328,577.78	-	(4,201,839.89)	555,000.00	3,722,432.00	807,774.11				

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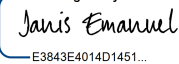
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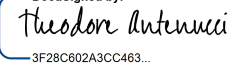
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<b>Envelope Summary Events</b>	<b>Status</b>	<b>Timestamps</b>
Envelope Sent	Hashed/Encrypted	3/4/2019 6:20:39 PM
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