

BNC METROPOLITAN DISTRICT NO. 3

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 . 800-741-3254
Fax: 303-987-2032

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors</u>	<u>Office</u>	<u>Term/Expires</u>
Janis L. Emanuel	President	2022/May 2022
Robert J Bol	Treasurer	2023/May 2023
Theodore Antenucci	Assistant Secretary	2022/May 2022
<i>VACANT</i>		2023/May 2022
<i>VACANT</i>		2023/May 2022
Ann E. Finn	Secretary	

DATE: June 15, 2021

TIME: 2:00 p.m.

PLACE: **Zoom Meeting: Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this meeting will be held via Zoom without any individuals (neither District representatives nor the general public) attending in person. The meeting can be joined through the directions below:**

Join Zoom Meeting

<https://us02web.zoom.us/j/89005657918?pwd=Z25nNmFGRmd4d0RZZDJ2Wmg4MlAwQT09>

Meeting ID: 890 0565 7918

Passcode: 041164

Dial-In: 1-253-215-8782

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda; confirm location/manner of the meeting and posting of meeting notices. Designate 24-hour notice posting location.

C. Review and approve the Minutes of the November 9, 2020 Special Meeting (enclosure).

D. Consider authorizing interested Board Members to attend the 2021 Special District Association's Annual Conference in Keystone on September 14, 15 and 16, 2021.

II. PUBLIC COMMENT

- A. Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes per person.
-

III. FINANCIAL MATTERS

- A. Review and ratify approval of payment of claims for the following periods (enclosures):

Fund	Period ending Nov. 30, 2020	Period ending Dec. 31, 2020	Period Ending January 31, 2021	Period Ending February 28, 2021
General	\$ 7,057.02	\$ 7,410.53	\$ 2,009.07	\$ 4,397.64
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 7,057.02	\$ 7,410.53	\$ 2,009.07	\$ 4,397.64

Fund	Period ending March 19, 2021	Period ending April 30, 2021	Period Ending May 31, 2021
General	\$ 562.79	\$ 1,387.00	\$ 3,254.65
Debt	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-
Total	\$ 562.79	\$ 1,387.00	\$ 3,254.65

- B. Review and accept unaudited financial statements through the period ending March 31, 2021, updated cash position statement dated March 31, 2021 and the property tax reconciliation (enclosures).
-

- C. Review and ratify approval of the engagement of Haynie & Company for preparation of 2020 Audit, in the amount of \$5,000 (enclosure).
-

- D. Review and consider approval of 2020 Audit and authorize execution of Representations Letter (draft audit – to be distributed).
-

- E. Consider setting the date for a Public Hearing to adopt the 2022 Budget for October 19, 2021, at 2:00 p.m., to be held at Bison Ridge Recreation Center, 13905 E. 112th Avenue, Commerce City, Colorado.
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IV. LEGAL MATTERS

A. _____

V. CAPITAL MATTERS

A. Discuss current development within the District.

VI. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR
OCTOBER 19, 2021 – BUDGET HEARING**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE BNC METROPOLITAN DISTRICT NO. 3 HELD NOVEMBER 9, 2020

A Special Meeting of the Board of Directors of the BNC Metropolitan District No. 3 (referred to hereafter as "Board") was convened on Monday, the 9th day of November 2020, at 11:00 a.m. Due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held by telephone conference with all participants attending via telephone. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Janis L. Emanuel
Robert J. Bol

Following discussion, upon motion duly made by Director Emanuel seconded by Director Bol and, upon vote, unanimously carried, the absence of Director Theodore R. Antenucci was excused.

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Paula Williams, Esq., Kate Olson, Esq., and Craig Sorensen; McGeady Becher P.C

Jason Carroll; CliftonLarsonAllen LLP

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Finn noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Williams noted that all Directors' Disclosure Statements have been filed, and no additional conflicts were disclosed at the meeting.

RECORD OF PROCEEDINGS

**ADMINISTRATIVE
MATTERS**

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Agenda was approved, as amended.

Meeting Location/Manner and Posting of Meeting Notice: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board noted that due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held by telephone conference.

Ms. Finn reported that notice was duly posted and that no objections to the telephonic manner of the meeting or any requests that the telephonic manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

May 5, 2020 Election: Ms. Finn advised the Board that the May 5, 2020 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Director Bol was deemed elected to a 3-year term ending in May, 2023.

Appointment of Officers: The Board entered into discussion regarding appointment of officers.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the following slate of officers were appointed:

President	Janis L. Emanuel
Treasurer	Robert J. Bol
Secretary	Ann E. Finn
Assistant Secretary	Theodore Antenucci

Minutes: The Board reviewed Minutes from the October 22, 2019 Regular Meeting and the December 23, 2019 Special Meeting.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the October 22, 2019 Regular Meeting and the December 23, 2019 Special Meeting were approved, as presented.

RECORD OF PROCEEDINGS

Resolution No. 2020-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: Ms. Finn discussed with the Board Resolution No. 2020-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

The Board determined to meet at 2:00 p.m. on June 15, 2021 and October 20, 2021 at the Bison Ridge Recreation Center, 13905 E. 112th Avenue, Commerce City, Colorado.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-11-01; Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2021: The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2021.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board determined to post the required transparency notice information on the Special District Association’s website.

PUBLIC COMMENT There was no public comment.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period ending Dec. 10, 2019	Period ending Jan. 10, 2020	Period Ending Feb. 10, 2020	Period Ending March 17, 2020
General	\$ 3,876.85	\$ 3,565.58	\$ 2,650.10	\$ 4,579.94
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ 2,325.00	\$ -0-
Total	\$ 3,876.85	\$ 3,565.58	\$ 4,975.10	\$ 4,579.94

Fund	Period ending April 16, 2020	Period ending May 18, 2020	Period Ending June 18, 2020	Period Ending July 9, 2020
General	\$ 644.00	\$ 2,519.85	\$ 2,135.50	\$ 543.25
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ 2,587.50	\$ -0-
Total	\$ 644.00	\$ 2,519.85	\$ 4,723.00	\$ 543.25

RECORD OF PROCEEDINGS

Fund	Period ending Aug.14, 2020	Period ending Sept.15, 2020	Period Ending Oct.12, 2020
General	\$ 501.08	\$ 383.71	\$ 1,012.58
Debt	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-
Total	\$ 501.08	\$ 383.71	\$ 1,012.58

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified approval of the payment of the claims, as presented.

Unaudited Financial Statements: Mr. Carroll reviewed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending July 31, 2020 and the Schedule of Cash Position updated as of October 12, 2020.

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the unaudited financial statements for the period ending July 31, 2020 and the Schedule of Cash Position updated as of October 12, 2020 were accepted, as presented.

2019 Application for Exemption from Audit: Following review and discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified the approval of the preparation, execution and filing of the Application for Exemption from Audit for 2019.

2020 Audit / Audit Exemption: The Board discussed the requirements for an audit. Mr. Carroll informed the Board that an audit for 2020 will be required. Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board directed Mr. Carroll to obtain a proposal to prepare the 2020 audit for an amount not to exceed \$6,000, and authorized the District President to sign such proposal.

2020 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to or at this public hearing. No public comments were received, and the President closed the public hearing.

The Board determined that an amendment to the 2020 Budget was not necessary.

RECORD OF PROCEEDINGS

2021 Budget Hearing: The President opened the public hearing to consider the proposed 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2021 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Mr. Carroll reviewed the estimated 2020 expenditures and the proposed 2021 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2020-11-02 to Adopt the 2021 Budget and Appropriate Sums of Money and Resolution No. 2020-11-03 Set Mill Levies (for the General Fund at 70.135 mills for a total mill levy of 70.135 mills). Upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2020. Ms. Finn was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Adams County and the Division of Local Government, not later than December 15, 2020. Ms. Finn was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2021. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3: The Board reviewed Resolution No. 2020-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

DLG-70 Mill Levy Certification: Ms. Finn discussed with the Board the DLG-70 Mill Levy Certification form.

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Board

RECORD OF PROCEEDINGS

authorized the District Accountant to prepare and sign the DLG-70 mill levy certification form, for certification to the Board of County Commissioners and other interested parties.

Preparation of the 2022 Budget: The Board discussed preparation of the 2022 Budget.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2022 Budget.

LEGAL MATTERS

2019-2021 Operation Funding Agreement: Attorney Williams reviewed with the Board the 2019-2021 Operation Funding Agreement between the District and Catellus CC Note, LLC.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board approved the 2019-2021 Operation Funding Agreement between the District and Catellus CC Note, LLC.

Amended and Restated Facilities Funding and Acquisition Agreement: Attorney Williams reviewed with the Board the Amended and Restated Facilities Funding and Acquisition Agreement between the District and Catellus CC Note, LLC.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board approved the Amended and Restated Facilities Funding and Acquisition Agreement between the District and Catellus CC Note, LLC.

CAPITAL MATTERS

Engineer's Report and Certification #03R1 from Ranger Engineering, LLC for BNC Metropolitan District Nos. 1, 2 and 3: The Board reviewed Engineer's Report and Certification #03R1 from Ranger Engineering, LLC for BNC Metropolitan District Nos. 1, 2 and 3, dated December 6, 2019 and updated December 16, 2019, for the amount of \$3,775,438.49.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board ratified the approval of the Engineer's Report and Certification #03R1 from Ranger Engineering, LLC for BNC Metropolitan District Nos. 1, 2 and 3, dated December 6, 2019 and updated December 16, 2019, for the amount of \$3,775,438.49. The Board further ratified the acceptance of the allocation of costs contained therein.

RECORD OF PROCEEDINGS

Engineer's Report and Certification #04 from Ranger Engineering, LLC for BNC Metropolitan District Nos. 1, 2 and 3: The Board reviewed Engineer's Report and Certification #04 from Ranger Engineering, LLC for BNC Metropolitan District Nos. 1, 2 and 3, dated December 20, 2019, for the amount of \$6,948,375.08.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board ratified the approval of the Engineer's Report and Certification #04 from Ranger Engineering, LLC for BNC Metropolitan District Nos. 1, 2 and 3, dated December 20, 2019, for the amount of \$6,948,375.08. The Board further ratified the acceptance of the allocation of costs contained therein.

Engineer's Report and Certification #05 from Ranger Engineering, LLC for BNC Metropolitan District Nos. 1, 2 and 3: The Board reviewed Engineer's Report and Certification #05 from Ranger Engineering, LLC for BNC Metropolitan District Nos. 1, 2 and 3.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board approved the Engineer's Report and Certification #05 from Ranger Engineering, LLC for BNC Metropolitan District Nos. 1, 2 and 3, dated April 30, 2020, for the amount of \$673,791.22. The Board further accepted the allocation of costs contained therein.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

RESOLUTION NO. 2020 – 11 - 01

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE BNC METROPOLITAN DISTRICT NO. 3
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

A. Pursuant to Section 32-1-903, C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings ("**Notice of Meeting**") will be physically posted at least 24 hours prior to each meeting ("**Designated Public Place**"). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

C. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting, if a special district posts the Notice of Meeting online at a public website of the special district ("**District Website**") at least 24 hours prior to each regular and special meeting.

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

E. Pursuant to Section 32-1-903, C.R.S., all special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

F. The provisions of Section 32-1-903, C.R.S., may be waived if: (1) the proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting; and (2) a resolution is adopted by the board stating the reason for which a meeting is to be held in a location other than under Section 32-1-903(1), C.R.S., and further stating the date, time and place of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the BNC Metropolitan District No. 3 (the "**District**"), Adams County, Colorado:

1. That the provisions of Section 32-1-903(1), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting regular and special meetings pursuant to Section 32-1-903(1), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2021 shall be held on June 15, 2021 and October 20, 2021 at 2:00 p.m., at the Bison Ridge Recreation Center, 13905 East 112th Avenue, Commerce City, Colorado in Adams County, Colorado.

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That, if the District has established a District Website, the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to each regular and special meeting pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

8. That, if the District has not yet established a District Website or is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) On the street light pole located on the Southwest corner of E. 104th Avenue and Revere Street

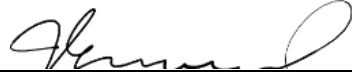
9. Special District Management Services, Inc., or his/her designee, is hereby appointed to post the above-referenced notices.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING
DATES, TIME, AND LOCATION, AND DESIGNATING LOCATION FOR 24-HOUR
NOTICES]**

RESOLUTION APPROVED AND ADOPTED on November 9, 2020.

BNC METROPOLITAN DISTRICT NO. 3

By: 
President

Attest:


Secretary

TITLE	BNC MD No. 3 - Approved/Adopted Documents
FILE NAME	Resolution for 2021 Meeting-Posting.pdf and 4 others
DOCUMENT ID	f1ebb16af20c1c12db13f0d0c626f25bab89773f
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Completed

Document History



SENT

04 / 01 / 2021

15:28:08 UTC

Sent for signature to Janis L. Emanuel (jmanuel@catellus.com) and Ann Finn (afinn@sdmsi.com) from apadilla@sdmsi.com
IP: 50.78.200.153



VIEWED

04 / 01 / 2021

15:28:18 UTC

Viewed by Janis L. Emanuel (jmanuel@catellus.com)
IP: 209.222.82.233



SIGNED

04 / 01 / 2021

15:34:49 UTC

Signed by Janis L. Emanuel (jmanuel@catellus.com)
IP: 173.8.249.62



VIEWED

04 / 02 / 2021

17:33:01 UTC

Viewed by Ann Finn (afinn@sdmsi.com)
IP: 50.78.200.153



SIGNED

04 / 02 / 2021

17:34:56 UTC

Signed by Ann Finn (afinn@sdmsi.com)
IP: 50.78.200.153



COMPLETED

04 / 02 / 2021

17:34:56 UTC

The document has been completed.

RESOLUTION NO. 2020 – 11 - 02
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BNC METROPOLITAN DISTRICT NO. 3
TO ADOPT THE 2021 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the BNC Metropolitan District No. 3 (“District”) has appointed the District Accountant to prepare and submit a proposed 2021 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2020, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 21, 2020, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

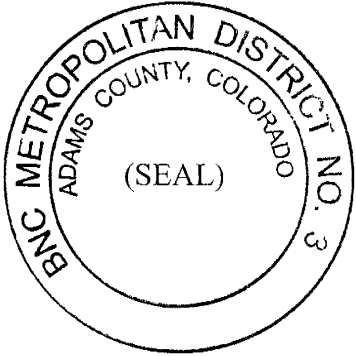
WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the BNC Metropolitan District No. 3:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the BNC Metropolitan District No. 3 for the 2021 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 9th day of November, 2020.



Ann Finn

Secretary

EXHIBIT A
(Budget)

BNC METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

**BNC METROPOLITAN DISTRICT NO. 3
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/7/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ (4,584)	\$ 5,731	\$ 4,050,524
REVENUES			
Property taxes	4,796	3,338	2,746
Specific ownership taxes	187	265	192
Developer advance	28,946	20,906	4,091,528
Transfer from BNC MD No. 1	-	3,359,885	-
Transfer from BNC MD No. 2	-	694,556	-
Total revenues	<u>33,929</u>	<u>4,078,950</u>	<u>4,094,466</u>
Total funds available	<u>29,345</u>	<u>4,084,681</u>	<u>8,144,990</u>
EXPENDITURES			
General Fund	21,289	31,569	60,000
Capital Projects Fund	2,325	2,588	8,084,056
Total expenditures	<u>23,614</u>	<u>34,157</u>	<u>8,144,056</u>
Total expenditures and transfers out requiring appropriation	<u>23,614</u>	<u>34,157</u>	<u>8,144,056</u>
ENDING FUND BALANCES	<u>\$ 5,731</u>	<u>\$ 4,050,524</u>	<u>\$ 934</u>
EMERGENCY RESERVE	\$ 100	\$ 150	\$ 110
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 150</u>	<u>\$ 110</u>

**BNC METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/7/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Agricultural	\$ 4,140	\$ 3,860	\$ 3,860
State assessed	3,620	2,810	1,500
Personal property	25,250	40,930	33,790
Certified Assessed Value	<u>\$ 33,010</u>	<u>\$ 47,600</u>	<u>\$ 39,150</u>
MILL LEVY			
General	69.649	70.135	70.135
Total mill levy	<u>69.649</u>	<u>70.135</u>	<u>70.135</u>
PROPERTY TAXES			
General	\$ 2,299	\$ 3,338	\$ 2,746
Levied property taxes	2,299	3,338	2,746
Adjustments to actual/rounding	2,497	-	-
Budgeted property taxes	<u>\$ 4,796</u>	<u>\$ 3,338</u>	<u>\$ 2,746</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 4,796</u>	<u>\$ 3,338</u>	<u>\$ 2,746</u>
	<u>\$ 4,796</u>	<u>\$ 3,338</u>	<u>\$ 2,746</u>

**BNC METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/7/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ (4,584)	\$ 8,056	\$ 996
REVENUES			
Property taxes	4,796	3,338	2,746
Specific ownership taxes	187	265	192
Developer advance	28,946	20,906	57,000
Total revenues	<u>33,929</u>	<u>24,509</u>	<u>59,938</u>
Total funds available	<u>29,345</u>	<u>32,565</u>	<u>60,934</u>
EXPENDITURES			
General and administrative			
Accounting	10,412	12,000	20,000
Audit	-	-	5,000
County treasurer's fees	34	50	41
Dues and licenses	313	-	350
Insurance and bonds	1,434	3,473	3,500
District management	6,103	10,000	15,000
Legal services	2,993	5,000	15,000
Miscellaneous	-	-	-
Election expense	-	1,046	-
Contingency	-	-	1,109
Total expenditures	<u>21,289</u>	<u>31,569</u>	<u>60,000</u>
Total expenditures and transfers out requiring appropriation	<u>21,289</u>	<u>31,569</u>	<u>60,000</u>
ENDING FUND BALANCE	<u>\$ 8,056</u>	<u>\$ 996</u>	<u>\$ 934</u>
EMERGENCY RESERVE	<u>\$ 100</u>	<u>\$ 150</u>	<u>\$ 110</u>
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 150</u>	<u>\$ 110</u>

**BNC METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/7/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ (2,325)	\$ 4,049,528
REVENUES			
Developer advance	-	-	4,034,528
Transfer from BNC MD No. 1	-	3,359,885	-
Transfer from BNC MD No. 2		694,556	-
Total revenues	<u>-</u>	<u>4,054,441</u>	<u>4,034,528</u>
Total funds available	<u>-</u>	<u>4,052,116</u>	<u>8,084,056</u>
EXPENDITURES			
Capital Projects			
Repay developer advance	-	-	4,034,528
Engineering	2,325	2,588	15,000
Capital outlay	-	-	4,034,528
Construction management	-	-	-
Total expenditures	<u>2,325</u>	<u>2,588</u>	<u>8,084,056</u>
Total expenditures and transfers out requiring appropriation	<u>2,325</u>	<u>2,588</u>	<u>8,084,056</u>
ENDING FUND BALANCE	<u>\$ (2,325)</u>	<u>\$ 4,049,528</u>	<u>\$ -</u>

**BNC METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation, was formed by Court Order issued on January 8, 2004 and recorded on January 27, 2004, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Commerce City, Adams County, Colorado.

The District was established to provide for acquisition, construction, and installation of water, sanitation, drainage, street improvements, parks and recreational facilities, television relay and translation, and mosquito control.

On November 4, 2003, voters of the District elected to approve general obligation indebtedness not to exceed \$60,000,000 at an interest rate not to exceed 15%. They also passed an election question to increase property taxes \$500,000 annually, without limitation of rate, to pay the District's operations, maintenance and other expenses. Additionally, the District's electors authorized the District to collect, retain and spend all revenue, other than ad valorem taxes, without regard to any limitations under TABOR.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenue

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on Property Tax Summary page of the budget at the adopted total mill levy of 70.135 mills.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected.

**BNC METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenue (continued)

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Expenditures

General and administrative expenditures

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt and Leases

The District has no outstanding debt or any operating or capital leases.

Reserves

Emergency Reserve Funds

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending for 2021, as defined under TABOR.

This information is an integral part of the accompanying budget.

I, Ann Finn, hereby certify that I am the duly appointed Secretary of the BNC Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2021, duly adopted at a meeting of the Board of Directors of the BNC Metropolitan District No. 3 held on November 9, 2020.

By: Ann Finn
Secretary

RESOLUTION NO. 2020 – 11 - 03
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BNC METROPOLITAN DISTRICT NO. 3
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the BNC Metropolitan District No. 3 (“District”) has adopted the 2021 annual budget in accordance with the Local Government Budget Law on October 21, 2020; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2021 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

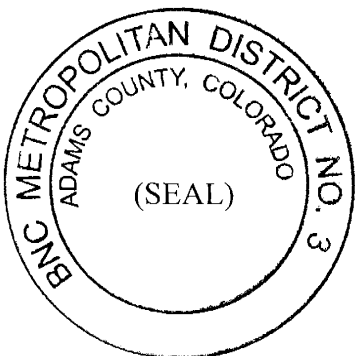
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of BNC Metropolitan District No. 3:

1. That for the purposes of meeting all general fund expenses of the District during the 2021 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2021 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Adams County, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 9th day of November, 2020.



Ann Finn

Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Adams County, Colorado.

On behalf of the BNC Metropolitan District No. 3,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the BNC Metropolitan District No. 3

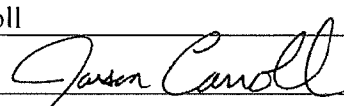
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 39,150 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 39,150 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/05/2020 for budget/fiscal year 2021
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>70.135</u> mills	<u>\$ 2,746</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	70.135 mills	\$ 2,746
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	70.135 mills	\$ 2,746

Contact person: Jason Carroll Daytime phone: (303) 779-5710
 Signed:  Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION NO. 2020- 11 - 04

RESOLUTION OF THE BOARD OF DIRECTORS OF BNC METROPOLITAN DISTRICT NO. 3 AUTHORIZING ADJUSTMENT OF THE DISTRICT MILL LEVY IN ACCORDANCE WITH THE COLORADO CONSTITUTION, ARTICLE X, SECTION 3

A. BNC Metropolitan District No. 3 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado pursuant to Title 32, Colorado Revised Statutes.

B. The District operates pursuant to its Amended and Restated Service Plan approved by Commerce City, on September 15, 2003, (the “**Service Plan**”), which provides the District with the authority to impose mill levies on taxable property. Such mill levies will be the primary source of revenue for repayment of debt service, public improvements, and operations and maintenance costs of the District.

C. The Service Plan authorizes a maximum mill levy of fifty (50) mills (“**Maximum Mill Levy**”).

D. The Service Plan and Article X, Section 3 of the Colorado Constitution, (the “**Gallagher Amendment**”) authorizes adjustment of the Maximum Mill Levy in the event that the method of calculating assessed valuation is changed after August 21, 2000, by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut, or abatement. The Maximum Mill Levy may be increased or decreased to reflect such changes. Such increases or decreases shall be determined by the Board in good faith (such determination to be binding and final) so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes.

E. The Service Plan and Gallagher Amendment provide that, for purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

F. The Colorado General Assembly (the “**General Assembly**”) passed House Bill 17-1349, signed by the Governor of Colorado on June 15, 2017, which amended Section 39-1-104.2, C.R.S. by setting the ratio of valuation for assessment for real residential property at 7.2% (decreased from 7.96%) for property tax years commencing on and after January 1, 2017, until the next property tax year that the General Assembly determined to adjust the ratio of valuation for assessment for residential real property.

G. In 2019, the General Assembly passed Senate Bill 19-255, signed by the Governor of Colorado on June 3, 2019, further amending Section 39-1-104.2, C.R.S. by setting the ratio of valuation for assessment for real residential property at 7.15% (decreased from 7.2%) for property tax years commencing on or after January 1, 2019, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property.

H. The Board of Directors of the District (the “**Board**”), authorized by the Service Plan and the Gallagher Amendment, determined it to be in the best interest of the District, its residents, users, property owners, and the public to adopt Resolution No. 2017-10-04, which adjusted the Maximum Mill Levy to mitigate the effect of the 2017 statutory change in the ratio of valuation for assessment from 7.96% to 7.20%, so that actual tax revenues were neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment for residential real property.

I. In order to mitigate the effect of the 2019 statutory change in the ratio of valuation for assessment for residential real property from 7.20% to 7.15%, so that actual tax revenues are neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment, the Board determines it to be in the best interest of the District, its residents, users, property owners, and the public to further adjust the Maximum Mill Levy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of BNC Metropolitan District No. 3, Adams County, Colorado:

1. The Board of the District hereby authorizes the adjustment of the Maximum Mill Levy to for collection year 2021 to reflect the 2019 statutory change in the ratio of valuation for assessment for residential real property to 7.15%.

2. The Gallagher Amendment allows for a total mill levy imposition of 70.135 mills (the “**Adjusted Mill Levy**”) so that District revenues shall be neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment to 7.15% pursuant to the authority granted by the Service Plan and the Gallagher Amendment.

3. The Adjusted Mill Levy shall be reflected in the District’s Certification of Tax Levies to be submitted to the Adams County Board of County Commissioners on or before December 15, 2020, for collection in 2021.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION AUTHORIZING ADJUSTMENT OF THE
DISTRICT MILL LEVY IN ACCORDANCE WITH THE COLORADO
CONSTITUTION, ARTICLE X, SECTION 3]

RESOLUTION APPROVED AND ADOPTED ON November 9, 2020.

BNC METROPOLITAN DISTRICT NO. 3



President

Attest:



Secretary

TITLE	BNC MD No. 3 - Approved/Adopted Documents
FILE NAME	Resolution for 2021 Meeting-Posting.pdf and 4 others
DOCUMENT ID	f1ebb16af20c1c12db13f0d0c626f25bab89773f
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Completed

Document History



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04 / 01 / 2021
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Sent for signature to Janis L. Emanuel (jmanuel@catellus.com) and Ann Finn (afinn@sdmsi.com) from apadilla@sdmsi.com
IP: 50.78.200.153



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IP: 209.222.82.233



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IP: 173.8.249.62



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17:33:01 UTC

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IP: 50.78.200.153



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IP: 50.78.200.153



COMPLETED

04 / 02 / 2021
17:34:56 UTC

The document has been completed.

BNC Metropolitan District No. 3

Nov-20

Vendor	Invoice #	Date	Due Date	Amount	Account Number
CO Special District Prop and Liab Pool	POL-0004645	9/22/2020	9/22/2020	\$ 2,032.00	101255
CliftonLarsonAllen LLP	2638985	10/14/2020	10/14/2020	\$ 170.42	107000
CliftonLarsonAllen LLP	2669859	11/6/2020	11/6/2020	\$ 2,049.39	107000
McGeady Becher P.C.	702W 09/2020	9/30/2020	9/30/2020	\$ -	107460
Special District Management Services, Inc.	Oct-20	10/31/2020	10/31/2020	\$ 2,310.21	107440
T. Charles Wilson	9164	10/13/2020	10/13/2020	\$ 495.00	101255
				\$ 7,057.02	

BNC Metropolitan District No.3
November-20

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 7,057.02	\$ -		\$ 7,057.02
Total Disbursements	\$ 7,057.02	\$ -	\$ -	\$ 7,057.02

BNC Metropolitan District No.3

Dec-20

Vendor	Invoice #	Date	Due Date	Amount	Account Number
CliftonLarsonAllen LLP	2691386	11/30/2020	11/30/2020	\$ 1,261.05	107000
McGeady Becher P.C.	702W 11/2020	11/30/2020	11/30/2020	\$ 1,271.00	107460
McGeady Becher P.C.	702W 10/2020	10/31/2020	10/31/2020	\$ 3,678.50	107460
Metrowest Newspapers	202010	10/31/2020	10/31/2020	\$ 45.76	107480
Special District Management Services, Inc.	Nov-20	11/30/2020	11/30/2020	\$ 1,154.22	107440
				\$ 7,410.53	

**BNC Metropolitan District No.3
December-20**

	<u>General</u>		<u>Debt</u>		<u>Capital</u>		<u>Totals</u>
Disbursements	\$ 7,410.53	\$	-			\$	7,410.53
<hr/>							
Total Disbursements	\$ 7,410.53	\$	-	\$	-	\$	7,410.53

BNC Metropolitan District No. 3

Jan-21

Vendor	Invoice #	Date	Due Date	Amount	Account Number
CliftonLarsonAllen	2719666	12/31/2020	12/31/2020	\$ 787.24	107000
McGeady Becher P.C.	702W 12/2020	12/31/2020	12/31/2020	\$ 295.83	107460
Special District Management Services, Inc.	Dec-20	12/31/2020	12/31/2020	\$ 926.00	107440
				\$ 2,009.07	

BNC Metropolitan District No.3
January-21

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 2,009.07	\$ -		\$ 2,009.07
<hr/>				
Total Disbursements	\$ 2,009.07	\$ -	\$ -	\$ 2,009.07

BNC Metropolitan District No. 3

Feb-21

Vendor	Invoice #	Date	Due Date	Amount	Account Number
CliftonLarsonAllen LLP	2740090	1/31/2021	1/31/2021	\$ 1,627.06	107000
McGeady Becher P.C.	702W 01/2021	1/31/2021	1/31/2021	\$ 1,571.00	107460
Special District Association	2021 Dues	2/2/2021	2/2/2021	\$ 309.38	107360
Special District Management Services, Inc.	Jan-21	1/31/2021	1/31/2021	\$ 890.20	107440
				\$ 4,397.64	

BNC Metropolitan District No.3
February-21

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 4,397.64	\$ -		\$ 4,397.64
<hr/>				
Total Disbursements	\$ 4,397.64	\$ -	\$ -	\$ 4,397.64

BNC Metropolitan District No.3
March-21

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Special District Management Services, Inc.	Feb-21	2/28/2021	3/19/2021	\$ 562.79	District management	107440

\$ 562.79

BNC Metropolitan District No.3
March-21

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 562.79	\$ -		\$ 562.79
<hr/>				
Total Disbursements	\$ 562.79	\$ -	\$ -	\$ 562.79

BNC Metropolitan District No.3
April-21

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Special District Management Services, Inc.	Mar-21	3/31/2021	3/31/2021	\$ 358.00	District management	107440
McGeady Becher, P.C	702W 02/21	2/28/2021	2/28/2021	\$1,029.00	Legal Services	107460
				\$1,387.00		

BNC Metropolitan District No.3
April-21

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 1,387.00	\$ -		\$ 1,387.00
<hr/>				
Total Disbursements	\$ 1,387.00	\$ -	\$ -	\$ 1,387.00

BNC Metropolitan District No.3
May-21

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
CliftonLarsonAllen LLP	2771065	2/28/2021	2/28/2021	\$522.90	Accounting	107000
CliftonLarsonAllen LLP	2818446	3/31/2021	3/31/2021	\$299.25	Accounting	107000
McGeady Becher, P.C	702W 03/21	3/31/2021	3/31/2021	\$ 793.50	Legal Services	107460
McGeady Becher, P.C	702W 04/21	4/30/2021	4/30/2021	\$ 1,211.00	Legal Services	107460
Special District Management Services, Inc.	Apr-21	4/30/2021	4/30/2021	\$ 428.00	District management	107440
				\$3,254.65		

BNC Metropolitan District No.3
May-21

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 3,254.65	\$ -		\$ 3,254.65
<hr/>				
Total Disbursements	<u>\$ 3,254.65</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,254.65</u>

BNC METROPOLITAN DISTRICT NO. 3

FINANCIAL STATEMENTS

MARCH 31, 2021

**BNC METROPOLITAN DISTRICT NO. 3
BALANCE SHEET - GOVERNMENTAL FUNDS
MARCH 31, 2021**

	General	Capital Projects	Total
ASSETS			
Cash - Checking	\$ 11,209	\$ 13,442	\$ 24,651
C - Safe	-	4,037,208	4,037,208
Receivable from County Treasurer	3,446	-	3,446
TOTAL ASSETS	\$ 14,655	\$ 4,050,650	\$ 4,065,305
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 7,963	\$ -	\$ 7,963
Total Liabilities	7,963	-	7,963
FUND BALANCES			
Total Fund Balances	6,692	4,050,650	4,057,342
TOTAL LIABILITIES AND FUND BALANCES	\$ 14,655	\$ 4,050,650	\$ 4,065,305

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**BNC METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

GENERAL FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 2,746	\$ 540	\$ (2,206)
Specific ownership tax	192	67	(125)
TOTAL REVENUES	<u>2,938</u>	<u>607</u>	<u>(2,331)</u>
EXPENDITURES			
Accounting	20,000	2,449	17,551
Auditing	5,000	-	5,000
County Treasurer's fee	41	8	33
Dues and licenses	350	-	350
Insurance and bonds	3,500	3,285	215
District management	15,000	1,811	13,189
Legal services	15,000	3,394	11,606
Contingency	1,109	-	1,109
TOTAL EXPENDITURES	<u>60,000</u>	<u>10,947</u>	<u>49,053</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(57,062)	(10,340)	46,722
OTHER FINANCING SOURCES (USES)			
Developer advance	57,000	29,500	(27,500)
TOTAL OTHER FINANCING SOURCES (USES)	<u>57,000</u>	<u>29,500</u>	<u>(27,500)</u>
NET CHANGE IN FUND BALANCES	(62)	19,160	19,222
FUND BALANCES - BEGINNING	996	(12,468)	(13,464)
FUND BALANCES - ENDING	<u>\$ 934</u>	<u>\$ 6,692</u>	<u>\$ 5,758</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

**BNC METROPOLITAN DISTRICT NO. 3
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

CAPITAL PROJECTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Interest income	\$ -	\$ 732	\$ 732
TOTAL REVENUES	<u>-</u>	<u>732</u>	<u>732</u>
EXPENDITURES			
Engineering	15,000	-	15,000
Capital outlay	4,034,528	-	4,034,528
TOTAL EXPENDITURES	<u>4,049,528</u>	<u>-</u>	<u>4,049,528</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,049,528)	732	4,050,260
OTHER FINANCING SOURCES (USES)			
Developer advance	4,034,528	-	(4,034,528)
Repay developer advance - principal	(4,034,528)	-	4,034,528
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(4,049,528)	732	4,050,260
FUND BALANCES - BEGINNING	<u>4,049,528</u>	<u>4,049,918</u>	<u>390</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 4,050,650</u>	<u>\$ 4,050,650</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**BNC METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation, was formed by Court Order issued on January 8, 2004 and recorded on January 27, 2004, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Commerce City, Adams County, Colorado.

The District was established to provide for acquisition, construction, and installation of water, sanitation, drainage, street improvements, parks and recreational facilities, television relay and translation, and mosquito control.

On November 4, 2003, voters of the District elected to approve general obligation indebtedness not to exceed \$60,000,000 at an interest rate not to exceed 15%. They also passed an election question to increase property taxes \$500,000 annually, without limitation of rate, to pay the District's operations, maintenance and other expenses. Additionally, the District's electors authorized the District to collect, retain and spend all revenue, other than ad valorem taxes, without regard to any limitations under TABOR.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenue

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on Property Tax Summary page of the budget at the adopted total mill levy of 70.135 mills.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected.

**BNC METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenue (continued)

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Expenditures

General and administrative expenditures

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt and Leases

The District has no outstanding debt or any operating or capital leases.

Reserves

Emergency Reserve Funds

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending for 2021, as defined under TABOR.

BNC METROPOLITAN DISTRICT NO. 3
Schedule of Cash Position
March 31, 2021
As of June 7, 2021

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<u>1st Bank - Checking</u>				
Balance as of 03/31/21	\$ 11,208.73	\$ -	\$ 13,442.43	\$ 24,651.16
Subsequent activities:				
04/10/21 - Adams County Taxes	21.90	-	-	21.90
04/23/21 - Bill.com payables	(4,960.43)	-	-	(4,960.43)
05/10/21 - Adams County Taxes	293.75	-	-	293.75
<i>Bill.com payables</i>	(4,641.65)	-	-	(4,641.65)
<i>Anticipated Transfer to CSAFE</i>	-	-	(13,442.43)	(13,442.43)
<i>Anticipated balance</i>	<u>\$ 1,922.30</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,922.30</u>
<u>CSAFE</u>				
Balance as of 03/31/21	\$ -	\$ -	\$ 4,037,207.67	\$ 4,037,207.67
Subsequent activities:				
04/30/21 - Interest Income	-	-	133.38	133.38
05/31/21 - Interest Income	-	-	131.50	131.50
<i>Anticipated Transfer from FirstBank</i>	-	-	13,442.43	13,442.43
<i>Anticipated balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,050,914.98</u>	<u>\$ 4,050,914.98</u>
<i>Total Anticipated balance</i>	<u><u>\$ 1,922.30</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,050,914.98</u></u>	<u><u>\$ 4,052,837.28</u></u>

Yield Information (as of 03/31/21)

CSAFE 0.05%

BNC METROPOLITAN DISTRICT NO. 3
Property Taxes Reconciliation
2021

	Current Year							Prior Year			
	Property Taxes	Prior Year Property Taxes Received in 2020	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 19.53	\$ -	\$ -	\$ 19.53	0.00%	0.00%	\$ -	0.00%	0.00%
February	539.68	-	25.29	-	(8.10)	556.87	19.65%	19.65%	\$ -	0.00%	0.00%
March	-	-	21.90	-	-	21.90	0.00%	19.65%	\$ -	0.00%	0.00%
April	270.72	-	27.09	-	(4.06)	293.75	9.86%	29.51%	\$ -	0.00%	0.00%
May	-	-	-	-	-	-	0.00%	29.51%	\$ -	0.00%	0.00%
June	-	-	-	-	-	-	0.00%	29.51%	\$ 4,850.25	208.61%	208.61%
July	-	-	-	-	-	-	0.00%	29.51%	\$ 14.49	0.00%	208.61%
August	-	-	-	-	-	-	0.00%	29.51%	\$ 18.44	0.00%	208.61%
September	-	-	-	-	-	-	0.00%	29.51%	\$ 17.38	0.00%	208.61%
October	-	-	-	-	-	-	0.00%	29.51%	\$ 13.66	0.00%	208.61%
November	-	-	-	-	-	-	0.00%	29.51%	\$ 19.96	0.00%	208.61%
December	-	-	-	-	-	-	0.00%	29.51%	\$ 14.32	0.00%	208.61%
Total	\$ 810.40	\$ -	\$ 93.81	\$ -	\$ (12.16)	\$ 892.05	29.51%	29.51%	\$ 4,948.50	208.61%	208.61%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied	Assessed Valuation	Mills Levied
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Property Tax

General Fund	\$ 2,746	100.00%	\$ 810.40	29.51%	70.135
	<u>\$ 2,746</u>	<u>100.00%</u>	<u>\$ 810.40</u>	<u>29.51%</u>	<u>\$ 47,600</u>

Specific Ownership Tax

General Fund	\$ 192	100.00%	\$ 93.81	48.86%
	<u>\$ 192</u>	<u>100.00%</u>	<u>\$ 93.81</u>	<u>48.86%</u>


Treasurer's Fees


General Fund	\$ 41	100.00%	\$ 12.16	29.66%
	<u>\$ 41</u>	<u>100.00%</u>	<u>\$ 12.16</u>	<u>29.66%</u>


This financial information should be read only in connection with the accompanying accountant's compilation report.



1221 W. Mineral Avenue, Suite 202
Littleton, CO 80120

 303-734-4800

 303-795-3356

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February 2, 2021

Board of Directors
BNC Metropolitan District No. 3
φ CliftonLarsonAllen LLP
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111-4544

To the Members of the Board:

This will confirm our understanding of the arrangements for our audit of the financial statements of BNC Metropolitan District No. 3 (District) for the year ended December 31, 2020. We understand the District employs CliftonLarsonAllen, LLP as its manager (“Manager”), which firm may be referenced herein as “Management”.

Audit Scope and Objectives

We will audit financial statements of the governmental activities and the major funds, including the related notes to the financial statements and budgetary comparison schedule—general fund, which collectively comprise the basic financial statements of BNC Metropolitan District No. 3 for the year ended December 31, 2020.

Management has elected to omit the Management’s Discussion and Analysis (MD&A) that accounting principles in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

We have also been engaged to report on supplementary information other than RSI that accompanies BNC Metropolitan District No. 3’s financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- 1) Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
- 2) Capital Projects Fund -Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual



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RSM US Alliance



In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

- 1) Schedule of Debt Service Requirements to Maturity
- 2) Schedule of Assessed Valuation, Mill Levy, and Property Taxes Collected

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of BNC Metropolitan District No. 3's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Haynie & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of Colorado or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Haynie & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the State of Colorado or its designee. The State of Colorado or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We estimate that our fees for these services will be \$5,000. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. Accounts in excess of 30 days will accrue finance charges at 1.5% per month. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Ty Holman is the engagement partner and is responsible for supervising the engagement and signing the report. We expect to begin our audit in June 2021 and issue our report no later than July 31, 2021.

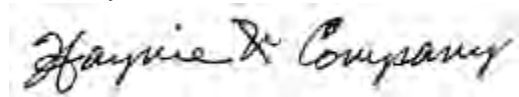
Reporting

We will issue a written report upon completion of our audit of BNC Metropolitan District No. 3's financial statements. Our report will be addressed to the Board of Directors of BNC Metropolitan District No. 3. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

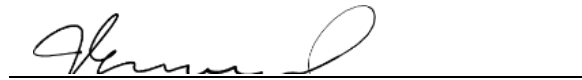
If this letter correctly expresses your understanding, please sign the enclosed copy where indicated and return it to us.

We appreciate the opportunity to serve you.

Sincerely,



Accepted and agreed to:
BNC Metropolitan District No. 3



Officer signature

President

Title

04 / 01 / 2021

Date

Attest: 

By: _____

Secretary

Title

TITLE	BNC MD No. 3 - Approved/Adopted Documents
FILE NAME	Resolution for 2021 Meeting-Posting.pdf and 4 others
DOCUMENT ID	f1ebb16af20c1c12db13f0d0c626f25bab89773f
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Completed

Document History



SENT

04 / 01 / 2021

15:28:08 UTC

Sent for signature to Janis L. Emanuel (jmanuel@catellus.com) and Ann Finn (afinn@sdmsi.com) from apadilla@sdmsi.com
IP: 50.78.200.153



VIEWED

04 / 01 / 2021

15:28:18 UTC

Viewed by Janis L. Emanuel (jmanuel@catellus.com)
IP: 209.222.82.233



SIGNED

04 / 01 / 2021

15:34:49 UTC

Signed by Janis L. Emanuel (jmanuel@catellus.com)
IP: 173.8.249.62



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04 / 02 / 2021

17:33:01 UTC

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IP: 50.78.200.153



SIGNED

04 / 02 / 2021

17:34:56 UTC

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IP: 50.78.200.153



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04 / 02 / 2021

17:34:56 UTC

The document has been completed.