

SECTION 14 METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 800-741-3254
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<https://section14md.colorado.gov>

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Jay Perlmutter	President	2023/May 2023
Jonathan Perlmutter	Treasurer	2025/May 2025
Douglas C. Ernst	Assistant Secretary	2025/May 2025
G. Darwin Toll, Jr.	Assistant Secretary	2023/May 2023
Kenya Jenkins	Assistant Secretary	2025/May 2025
Ann Finn	Secretary (not an elected position)	

DATE: July 14, 2022 (Thursday)
TIME: 9:30 a.m.
PLACE: Jordon Perlmutter & Co.
1601 Blake Street, Suite 600
Denver, Colorado 80202

I. ADMINISTRATIVE MATTERS

- A. Present Disclosures of Potential Conflicts of Interest and confirm quorum.
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- B. Approve Agenda; confirm location of the meeting and posting of meeting notice. Designate 24-hour notice posting location.
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- C. Review and approve Minutes of the November 30, 2021 Special Meeting (enclosure).
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- D. Consider authorizing interested Board Members to attend the 2022 Special District Association's Annual Conference in Keystone on September 13, 14 and 15, 2022.
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- E. Discuss results of cancelled May 3, 2022 Regular Election for Directors (enclosure).
-

F. Consider appointment of officers.

President: _____
 Treasurer: _____
 Secretary: _____
 Asst. Secretary: _____
 Asst. Secretary: _____
 Asst. Secretary: _____

II. PUBLIC COMMENTS

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.

III. FINANCIAL MATTERS

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

Fund	Period ending Nov. 17, 2021	Period ending Dec. 13, 2021	Period ending Jan. 18, 2022	Period ending Feb. 24, 2022
General	\$ 26,804.66	\$ 34,408.28	\$ 25,903.00	\$ 49,418.91
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 1,248.00	\$ 1,210.50	\$ 151.50	\$ 1,289.00
Total	\$ 28,052.66	\$ 35,618.78	\$ 26,054.50	\$ 50,707.91

Fund	Period ending March 15, 2022	Period ending April 14, 2022	Period ending May 26, 2022	Period ending June 23, 2022
General	\$ 20,629.06	\$ 11,840.80	\$ 14,025.10	\$ 24,090.80
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ 122,437.65	\$ 7,151.17	\$ 12,995.90
Total	\$ 20,629.06	\$ 134,278.45	\$ 21,176.27	\$ 37,086.71

B. Review and accept unaudited financial statements through the period ending June 30, 2022, and the schedule of cash position statement dated June 30, 2022 (enclosure).

C. Review and consider approval of 2021 (draft audit – enclosed) Audit and authorize execution of Representations Letter (enclosure).

- D. Conduct Public Hearing to consider amendment of the 2021 Budget. If necessary, consider adoption of a Resolution to Amend the 2021 Budget and Appropriate Expenditures (to be distributed).
-

- E. Ratify appointment of the District Accountant to prepare the 2023 Budget and set the date for a Public Hearing to adopt the 2023 Budget for November 29, 2022, at 9:30 a.m., to be held at the offices of Jordon Perlmutter & Company, 1601 Blake Street, Suite 600, Denver, Colorado 80202 and via conference call.
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V. LEGAL MATTERS

- A. Discuss and consider approval of reimbursement of The Section 14 Development Co. for previously advanced funds related to complete improvements.
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VI. CAPITAL PROJECTS

- A. Discuss status of the funds available for the parking lot repair work.
-

- B. Discuss status of the Outfall Structure Project.
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- C. Discuss status of the renovation of the monument signs for Bowles Village Shopping Center.
-

VII. OTHER MATTERS

- A. Review and consider approval of proposal from Stormwater Asset Protection, LLC for annual inspections and maintenance services (enclosure).
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VIII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 29, 2022 ~ BUDGET HEARING.**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SECTION 14 METROPOLITAN DISTRICT HELD NOVEMBER 30, 2021

A Special Meeting of the Board of Directors of the Section 14 Metropolitan District, Jefferson County and the City and County of Denver, Colorado was duly posted and held on Tuesday, the 30th day of November, 2021, at 1:00 p.m. at the offices of Jordon Perlmutter and Co., 1601 Blake Street, Suite 600, Denver, Colorado 80202. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Jay Perlmutter
Jonathan Perlmutter
Douglas C. Ernst
G. Darwin Toll, Jr. (via conference call)
Kenya Jenkins

Also In Attendance Were:

Ann Finn and Steve Beck; Special District Management Services, Inc.

Kate Olson, Esq.; McGeady Becher P.C.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

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. It was noted that Directors' Disclosure Statements have been filed for all Directors.

ADMINISTRATIVE MATTERS

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

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Jenkins and, upon vote, unanimously carried, the Agenda was approved, as presented.

Approval of Meeting Location: 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.

Following discussion, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Jenkins and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District's boundaries to conduct this meeting, it was determined to conduct the meeting at the above stated location. The Board further noted that notice of the time, date and location was duly posted and that they have not received any objections to the location or requests that the meeting place be changed by residents or tax paying electors within its boundaries.

Minutes: The Board reviewed the Minutes of the October 4, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Ernst, seconded by Director Jay Perlmutter and, upon vote, unanimously carried, the Board approved the Minutes of the October 4, 2021 Special Meeting.

Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 24-Hour Notices:
Ms. Finn discussed with the Board Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 24-Hour Notices.

The Board determined to meet at 9:30 a.m. on June 27, 2022 and November 29, 2022 at the offices of Jordon Perlmutter and Co., 1601 Blake Street, Suite 600, Denver, Colorado 80202 and via conference call.

Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for 24-Hour Notices.

RECORD OF PROCEEDINGS

**PUBLIC
COMMENTS**

There were no public comments at this time.

CONSENT AGENDA

The Board reviewed the following consent agenda items:

- Direct staff to comply with the requirements of Section 32-1-809, C.R.S. for 2022 (District Transparency Notice).
- Ratify approval of Service Agreement for Stormwater Outfall and Vortech Maintenance between the District and Consolidated Divisions Inc. d/b/a CDI Environmental Contractor.

Following review, upon motion duly made by Director Jay Perlmutter, seconded by Director Jenkins and, upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate) the above consent agenda items.

**FINANCIAL
MATTERS**

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

Fund	Period ending Oct. 15, 2021
General	\$ 29,768.03
Debt	\$ -0-
Capital	\$ 4,121.00
Total	\$ 33,889.03

Following review, upon motion duly made by Director Ernst, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board ratified the approval of the payment of claims, as presented.

Unaudited Financial Statement: Mr. Beck reviewed with the Board the unaudited financial statements through the period ending September 30, 2021 and October 31, 2021, and the schedule of cash position statement dated September 30, 2021.

Following review, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending September 30, 2021 and October 31, 2021, and the schedule of cash position statement dated September 30, 2021, as presented.

2021 Audit: The Board reviewed a proposal from Schilling & Company, Inc. to perform the 2021 Audit.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Ernst and, upon vote, unanimously carried, the Board approved the Engagement Letter from Schilling & Company, Inc. to perform the 2021 Audit, for an amount of \$5,200.

2021 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2021 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 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 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 2021 Budget was not necessary.

2022 Budget Hearing: The President opened the public hearing to consider the proposed 2022 Budget and discuss related issues.

Ms. Finn advised the Board that publication of Notice stating that the Board would consider adoption of the 2022 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.

Mr. Beck reviewed with the Board the expected revenues and expenditures in the General Fund and the Capital Fund in 2022.

Following discussion, the Board considered the adoption of Resolution No. 2021-11-02 to Adopt the 2022 Budget and Appropriate Sums of Money and Resolution No. 2021-11-03 to Set Mill Levies (for the General Fund at 20.000 mills and the Debt Service Fund at 0.000 mills, for a total of 20.000 mills). Upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter 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, 2021, subject to changes as noted. Mr. Beck was authorized to transmit the Certification of Mill Levies to the Jefferson and Denver Counties not later than December 15, 2021. Mr. Beck was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2022. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

RECORD OF PROCEEDINGS

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners of Jefferson County and the City and County of Denver Assessor, not later than December 15, 2021.

Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners of Jefferson County and the City and County of Denver Assessor, not later than December 15, 2021.

Preparation of the 2023 Budget: The Board discussed preparation of the 2023 Budget.

Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter, and upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2023 budget.

LEGAL MATTERS

Reimbursement of The Section 14 Development Company: The Board deferred discussion at this time.

Resolution Calling May 3, 2022 Regular Election: Ms. Finn reviewed with the Board Resolution No. 2021-11-04; Resolution Calling May 3, 2022 Regular Election for Directors, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made by Director Ernst, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-04; Resolution Calling May 3, 2022 Regular Election for Directors, designating Ann Finn as the DEO, and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

CAPITAL IMPROVEMENTS

Outfall Structure Project: Ms. Finn reported to the Board on the status of the Outfall Structure Project. She noted the water levels are being lower in the reservoir so work can begin the week of December 6th. She also noted it will take about four weeks to complete the project and that they are working to keep the walking path around the reservoir as accessible as possible throughout the project.

RECORD OF PROCEEDINGS

Renovation of the Monument Signs for Bowles Village Shopping Center:

Director Jonathan Perlmutter noted he is continuing to work with Brad Gordon and Jefferson County on the design plans for the monument signs.

OTHER MATTERS

No other matters for discussion.

ADJOURNMENT

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

Respectfully submitted,

By: _____
Secretary for the Meeting

**RESOLUTION OF DESIGNATED ELECTION OFFICIAL
REGARDING CANCELLATION OF ELECTION AND
DECLARATION DEEMING CANDIDATES ELECTED**

SECTION 14 METROPOLITAN DISTRICT
City and County of Denver and Jefferson County, Colorado

A. The Designated Election Official of the Section 14 Metropolitan District (“**District**”) has been duly authorized by the Board of Directors of the District to cancel the election and declare candidates elected at the close of business on the sixty-third (63rd) day before the election to be conducted on May 3, 2022, pursuant to that certain Resolution Calling Election attached hereto as **Exhibit A**.

B. On the sixty-third (63rd) day before the election, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates.

NOW, THEREFORE, be it resolved by the Designated Election Official of the District that:

1. The regular election to be conducted on May 3, 2022, is hereby cancelled pursuant to Section 1-13.5-513, C.R.S.
2. The following candidates are declared elected for the following terms of office:

<u>Name</u>	<u>Term</u>
Douglas Ernst	Second Regular Election, May 2025
Kenya Jenkins	Second Regular Election, May 2025
Jonathan Perlmutter	Second Regular Election, May 2025

DATED this 2nd day of March, 2022.

SECTION 14 METROPOLITAN DISTRICT

By: 
Ann Finn, Designated Election Official
Section 14 Metropolitan District
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
Phone: (303) 987-0835

EXHIBIT A

Resolution Calling Election

RESOLUTION NO. 2021-11-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
SECTION 14 METROPOLITAN DISTRICT
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 3, 2022**

A. The terms of the offices of Directors Jonathan Perlmutter, Douglas C. Ernst, and Kenya Jenkins shall expire upon the election of their successors at the regular election, to be held on May 3, 2022 (“**Election**”), and upon such successors taking office.

B. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect three (3) Directors to serve until the second regular election, to occur May 6, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Section 14 Metropolitan District (the “**District**”) of the County of Jefferson and the City and County of Denver, Colorado:

1. Date and Time of Election. The Election shall be held on May 3, 2022, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, three (3) Directors shall be elected to serve until the second regular election, to occur May 6, 2025.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Ann Finn shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Call for Nominations. The Designated Election Official shall provide Call for Nominations as required under Section 1-13.5-501, C.R.S., as applicable.

6. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, Ann Finn, Special District Management Services, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, between the hours of

8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 26, 2022).

7. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from Ann Finn, the Designated Election Official for the Section 14 Metropolitan District, c/o Ann Finn, Special District Management Services, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, (303) 987-0835 and on the District's website at <https://section14md.colorado.gov/>.

8. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 1, 2022, the sixty-third day prior to the regular election, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

9. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.


10. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

11. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of the District.

**[SIGNATURE PAGE TO RESOLUTION
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 3, 2022]**

RESOLUTION APPROVED AND ADOPTED on November 30, 2021.

**SECTION 14 METROPOLITAN
DISTRICT**

By: 
President

Attest:


Secretary

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void//
4306							
11/17/2021	Bowles Village Center	11/2021	Landscape Maintenance	1-786	2,012.00	2,012.00	
11/17/2021	Bowles Village Center	11/2021	Utilities	1-710	1,723.00	1,723.00	
Total 4306:						<u>3,735.00</u>	
4307							
11/17/2021	Chanson, LLC	11/2021	Landscape Maintenance	1-786	4,177.00	4,177.00	
11/17/2021	Chanson, LLC	11/2021	Utilities	1-710	5,546.00	5,546.00	
Total 4307:						<u>9,723.00</u>	
4308							
11/17/2021	McGeady Becher P.C.	198M 09/2021	Legal	1-675	2,466.00	2,466.00	
11/17/2021	McGeady Becher P.C.	198M 09/2021	Legal	3-675	1,104.00	1,104.00	
Total 4308:						<u>3,570.00</u>	
4309							
11/17/2021	Section 14 Development Company	11/2021	Landscape Maintenance	1-786	1,520.00	1,520.00	
11/17/2021	Section 14 Development Company	11/2021	Utilities	1-710	2,716.00	2,716.00	
Total 4309:						<u>4,236.00</u>	
4310							
11/17/2021	Special District Management Servic	10/2021	Accounting	1-613	952.00	952.00	
11/17/2021	Special District Management Servic	10/2021	District Management	1-614	1,343.85	1,343.85	
11/17/2021	Special District Management Servic	10/2021	Management	3-614	144.00	144.00	
Total 4310:						<u>2,439.85</u>	
4311							
11/17/2021	Storm Water Asset Protection, LLC	SWAP1601	Oper. & Maint. Detention P	1-790	2,842.30	2,842.30	
11/17/2021	Storm Water Asset Protection, LLC	SWAP1603	Oper. & Maint. Detention P	1-790	954.50	954.50	
Total 4311:						<u>3,796.80</u>	
20211101							
11/17/2021	Denver Water	5256 11/21	Utilities	1-710	25.18	25.18	M
Total 20211101:						<u>25.18</u>	
20211102							
11/17/2021	Denver Water	5392 11/21	Utilities	1-710	44.60	44.60	M
Total 20211102:						<u>44.60</u>	
20211103							
11/17/2021	Denver Water	5261 11/21	Utilities	1-710	20.48	20.48	M
Total 20211103:						<u>20.48</u>	
Grand Totals:						<u><u>27,590.91</u></u>	

Section 14 Metropolitan District
November-21

	General	Debt	Capital	Totals
Disbursements	\$ 26,342.91		\$ 1,248.00	\$ 27,590.91
Payroll	\$ 461.75			\$ 461.75
Payroll Taxes (Annually)	\$ -			\$ -
Total Disbursements from Checking Acct	\$ 26,804.66	\$ -	\$ 1,248.00	\$ 28,052.66

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
4312							
12/13/2021	Bowles Village Center	12/2021	Landscape Maintenance	1-786	3,503.00	3,503.00	
12/13/2021	Bowles Village Center	12/2021	Utilities	1-710	406.00	406.00	
Total 4312:						<u>3,909.00</u>	
4313							
12/13/2021	Chanson, LLC	12/2021	Landscape Maintenance	1-786	12,480.00	12,480.00	
12/13/2021	Chanson, LLC	12/2021	Utilities	1-710	1,824.00	1,824.00	
Total 4313:						<u>14,304.00</u>	
4314							
12/13/2021	Colorado Community Media	41124	Legal Publications	1-680	21.28	21.28	
Total 4314:						<u>21.28</u>	
4315							
12/13/2021	Colorado Special District P&L	POL-0010529	Prepays	1-125	4,668.00	4,668.00	
Total 4315:						<u>4,668.00</u>	
4316							
12/13/2021	Dodge Data & Analytics	A40037268	Legal Publications	1-680	48.96	48.96	
Total 4316:						<u>48.96</u>	
4317							
12/13/2021	McGeady Becher P.C.	198M 10/2021	Legal	1-675	1,812.50	1,812.50	
12/13/2021	McGeady Becher P.C.	198M 10/2021	Legal	3-675	292.50	292.50	
Total 4317:						<u>2,105.00</u>	
4318							
12/13/2021	Section 14 Development Company	12/2021	Landscape Maintenance	1-786	3,311.00	3,311.00	
12/13/2021	Section 14 Development Company	12/2021	Utilities	1-710	521.00	521.00	
Total 4318:						<u>3,832.00</u>	
4319							
12/13/2021	Special District Management Servic	11/2021	Accounting	1-613	1,204.00	1,204.00	
12/13/2021	Special District Management Servic	11/2021	District Management	1-614	3,315.70	3,315.70	
12/13/2021	Special District Management Servic	11/2021	Management	3-614	918.00	918.00	
Total 4319:						<u>5,437.70</u>	
4320							
12/13/2021	T Charles Wilson Insurance	10653	Prepays	1-125	775.00	775.00	
Total 4320:						<u>775.00</u>	
20211201							
12/13/2021	Denver Water	5256 12/2021	Utilities	1-710	23.17	23.17	M
Total 20211201:						<u>23.17</u>	

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
20211202							
12/13/2021	Denver Water	5261 12/2021	Utilities	1-710	16.46	<u>16.46</u>	M
Total 20211202:						<u>16.46</u>	
20211203							
12/13/2021	Denver Water	5392 12/2021	Utilities	1-710	16.46	<u>16.46</u>	M
Total 20211203:						<u>16.46</u>	
Grand Totals:						<u><u>35,157.03</u></u>	

<u>Check Issue Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Amount</u>
12/13/2021	9132	Ernst, Douglas C	92.35
12/13/2021	9133	Toll Jr, G Darwin	92.35
12/13/2021	9134	Perlmutter, Jay	92.35
12/13/2021	9135	Perlmutter, Jonathan	92.35
12/13/2021	9136	Jenkins, Kenya	92.35
Grand Totals:			
	<u>5</u>		<u>461.75</u>

Section 14 Metropolitan District

December-21

	General	Debt	Capital	Totals
Disbursements	\$ 33,946.53		\$ 1,210.50	\$ 35,157.03
Payroll	\$ 461.75			\$ 461.75
Payroll Taxes (Annually)	\$ -			\$ -
Total Disbursements from Checking Acct	\$ 34,408.28	\$ -	\$ 1,210.50	\$ 35,618.78

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/
4321							
01/18/2022	Bowles Village Center	01/2022	Landscape Maintenance	1-786	1,748.00	1,748.00	
01/18/2022	Bowles Village Center	01/2022	Utilities	1-710	528.00	528.00	
Total 4321:						2,276.00	
4322							
01/18/2022	Chanson, LLC	01/2022	Landscape Maintenance	1-786	3,754.00	3,754.00	
01/18/2022	Chanson, LLC	01/2022	Utilities	1-710	1,332.00	1,332.00	
Total 4322:						5,086.00	
4323							
01/18/2022	McGeady Becher P.C.	198M 11/2021	Legal	1-675	4,733.29	4,733.29	
01/18/2022	McGeady Becher P.C.	198M 11/2021	Legal	3-675	97.50	97.50	
Total 4323:						4,830.79	
4324							
01/18/2022	Section 14 Development Company	01/2022	Landscape Maintenance	1-786	2,713.00	2,713.00	
01/18/2022	Section 14 Development Company	01/2022	Utilities	1-710	7,825.00	7,825.00	
Total 4324:						10,538.00	
4325							
01/18/2022	Special District Management Servic	12/2021	Accounting	1-613	952.00	952.00	
01/18/2022	Special District Management Servic	12/2021	District Management	1-614	1,584.87	1,584.87	
01/18/2022	Special District Management Servic	12/2021	Management	3-614	54.00	54.00	
Total 4325:						2,590.87	
4326							
01/18/2022	Storm Water Asset Protection, LLC	SWAP2105	Oper. & Maint. Detention P	1-790	674.24	674.24	
Total 4326:						674.24	
Grand Totals:						25,995.90	

Section 14 Metropolitan District

January-22

	General	Debt	Capital	Totals
Disbursements	\$ 25,844.40		\$ 151.50	\$ 25,995.90
Denver Water	\$ 58.60			\$ 58.60
Payroll				\$ -
Payroll Taxes (Annually)	\$ -			\$ -
Total Disbursements from Checking Acct	\$ 25,903.00	\$ -	\$ 151.50	\$ 26,054.50

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/I
4327							
02/24/2022	Bowles Village Center	02/2022	Landscape Maintenance	1-786	773.00	773.00	
02/24/2022	Bowles Village Center	02/2022	Utilities	1-710	882.00	882.00	
Total 4327:						<u>1,655.00</u>	
4328							
02/24/2022	Chanson, LLC	02/2022	Landscape Maintenance	1-786	3,201.00	3,201.00	
02/24/2022	Chanson, LLC	02/2022	Utilities	1-710	1,191.00	1,191.00	
Total 4328:						<u>4,392.00</u>	
4329							
02/24/2022	Consolidated Divisions, Inc.	2002802	Oper. & Maint. Detention P	1-790	27,313.00	27,313.00	
02/24/2022	Consolidated Divisions, Inc.	2003190	Oper. & Maint. Detention P	1-790	10,524.00	10,524.00	
Total 4329:						<u>37,837.00</u>	
4330							
02/24/2022	Ground Engineering	214446.0-1	Outfall Structure No. 1	3-810	1,270.00	1,270.00	
Total 4330:						<u>1,270.00</u>	
4331							
02/24/2022	McGeady Becher P.C.	198M 01/2022	Legal	1-675	1,043.75	1,043.75	
02/24/2022	McGeady Becher P.C.	198M 12/2021	Legal	1-675	429.50	429.50	
Total 4331:						<u>1,473.25</u>	
4332							
02/24/2022	Section 14 Development Company	02/2022	Landscape Maintenance	1-786	1,667.00	1,667.00	
02/24/2022	Section 14 Development Company	02/2022	Utilities	1-710	264.00	264.00	
Total 4332:						<u>1,931.00</u>	
4333							
02/24/2022	Special District Management Servic	01/2022	District Management	1-614	1,036.06	1,036.06	
02/24/2022	Special District Management Servic	01/2022	Management	3-614	19.00	19.00	
02/24/2022	Special District Management Servic	01/2022	Accounting	1-613	1,036.00	1,036.00	
Total 4333:						<u>2,091.06</u>	
20220201							
02/24/2022	Denver Water	5261 02/2022	Utilities	1-710	17.20	17.20	M
Total 20220201:						<u>17.20</u>	
20220202							
02/24/2022	Denver Water	5256 02/2022	Utilities	1-710	24.20	24.20	M
Total 20220202:						<u>24.20</u>	
20220203							
02/24/2022	Denver Water	5392 02/2022	Utilities	1-710	17.20	17.20	M
Total 20220203:						<u>17.20</u>	

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/I
Grand Totals:						<u>50,707.91</u>	

Section 14 Metropolitan District

February-22

	General	Debt	Capital	Totals
Disbursements	\$ 49,360.31		\$ 1,289.00	\$ 50,649.31
Denver Water	\$ 58.60			\$ 58.60
Payroll				\$ -
Payroll Taxes (Annually)	\$ -			\$ -
Total Disbursements from Checking Acct	\$ 49,418.91	\$ -	\$ 1,289.00	\$ 50,707.91

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
4334							
03/15/2022	Bowles Village Center	03/2022	Landscape Maintenance	1-786	1,017.00	1,017.00	
03/15/2022	Bowles Village Center	03/2022	Utilities	1-710	4,173.00	4,173.00	
Total 4334:						5,190.00	
4335							
03/15/2022	Chanson, LLC	03/2022	Landscape Maintenance	1-786	2,047.00	2,047.00	
03/15/2022	Chanson, LLC	03/2022	Utilities	1-710	4,990.00	4,990.00	
Total 4335:						7,037.00	
4336							
03/15/2022	Colorado Community Media	48880	Election Expense	1-635	30.08	30.08	
Total 4336:						30.08	
4337							
03/15/2022	Dodge Data & Analytics	A40038951	Election Expense	1-635	73.44	73.44	
Total 4337:						73.44	
4338							
03/15/2022	Section 14 Development Company	03/2022	Landscape Maintenance	1-786	2,015.00	2,015.00	
03/15/2022	Section 14 Development Company	03/2022	Utilities	1-710	2,159.00	2,159.00	
Total 4338:						4,174.00	
4339							
03/15/2022	Special District Association	SDA-2022	Dues & Subscriptions	1-625	693.39	693.39	
Total 4339:						693.39	
4340							
03/15/2022	Special District Management Servic	02/2022	Accounting	1-613	1,243.20	1,243.20	
03/15/2022	Special District Management Servic	02/2022	District Management	1-614	1,329.95	1,329.95	
03/15/2022	Special District Management Servic	02/2022	Election Expense	1-635	399.40	399.40	
03/15/2022	Special District Management Servic	02/2022	Management	3-614	285.00	285.00	
Total 4340:						3,257.55	
4341							
03/15/2022	Storm Water Asset Protection, LLC	SWAP2106	Oper. & Maint. Detention P	1-790	115.00	115.00	
Total 4341:						115.00	
20220301							
03/15/2022	Denver Water	5261 03/2022	Utilities	1-710	17.20	17.20	M
Total 20220301:						17.20	
20220302							
03/15/2022	Denver Water	5392 03/2022	Utilities	1-710	17.20	17.20	M
Total 20220302:						17.20	

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
20220303							
03/15/2022	Denver Water	5256 03/2022	Utilities	1-710	24.20	<u>24.20</u>	M
Total 20220303:						<u>24.20</u>	
Grand Totals:						<u><u>20,629.06</u></u>	

Section 14 Metropolitan District

March-22

	General	Debt	Capital	Totals
Disbursements	\$ 20,570.46			\$ 20,570.46
Denver Water	\$ 58.60			\$ 58.60
Payroll				\$ -
Payroll Taxes (Annually)	\$ -			\$ -
Total Disbursements from Checking Acct	\$ 20,629.06	\$ -	\$ -	\$ 20,629.06

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
4342							
04/14/2022	Bowles Village Center	04/2022	Landscape Maintenance	1-786	1,066.00	1,066.00	
04/14/2022	Bowles Village Center	04/2022	Utilities	1-710	886.00	886.00	
Total 4342:						<u>1,952.00</u>	
4343							
04/14/2022	Chanson, LLC	04/2022	Landscape Maintenance	1-786	2,075.00	2,075.00	
04/14/2022	Chanson, LLC	04/2022	Utilities	1-710	892.00	892.00	
Total 4343:						<u>2,967.00</u>	
4344							
04/14/2022	Colorado Community Media	51315	Election Expense	1-635	23.92	23.92	
Total 4344:						<u>23.92</u>	
4345							
04/14/2022	Denver Water	5256 04/2022	Utilities	1-710	24.20	24.20	
04/14/2022	Denver Water	5256 04/2022	Utilities	1-710	24.20-	24.20-	V
04/14/2022	Denver Water	5261 04/2022	Utilities	1-710	17.20	17.20	
04/14/2022	Denver Water	5261 04/2022	Utilities	1-710	17.20-	17.20-	V
04/14/2022	Denver Water	5392 04/2022	Utilities	1-710	17.20	17.20	
04/14/2022	Denver Water	5392 04/2022	Utilities	1-710	17.20-	17.20-	V
Total 4345:						<u>.00</u>	
4346							
04/14/2022	Dodge Data & Analytics	A40039708	Election Expense	1-635	114.24	114.24	
Total 4346:						<u>114.24</u>	
4347							
04/14/2022	Edge Contracting, Inc.	OUTFALL A - PAY A	Outfall Structure No. 6	3-815	53,645.00	53,645.00	
04/14/2022	Edge Contracting, Inc.	OUTFALL A - PAY A	Retainage Payable	3-318	2,682.25-	2,682.25-	
04/14/2022	Edge Contracting, Inc.	OUTFALL B- PAY A	Outfall Structure No. 1	3-810	73,172.00	73,172.00	
04/14/2022	Edge Contracting, Inc.	OUTFALL B- PAY A	Retainage Payable	3-318	3,658.60-	3,658.60-	
Total 4347:						<u>120,476.15</u>	
4348							
04/14/2022	Ground Engineering	214446.0-2	Outfall Structure No. 1	3-810	647.50	647.50	
04/14/2022	Ground Engineering	214446.B-1	Outfall Structure No. 6	3-815	1,035.00	1,035.00	
Total 4348:						<u>1,682.50</u>	
4349							
04/14/2022	McGeady Becher P.C.	198M 02/2022	Legal	1-675	2,237.50	2,237.50	
04/14/2022	McGeady Becher P.C.	198M 02/2022	Legal	3-675	70.00	70.00	
Total 4349:						<u>2,307.50</u>	
4350							
04/14/2022	Section 14 Development Company	04/2022	Landscape Maintenance	1-786	1,724.00	1,724.00	
04/14/2022	Section 14 Development Company	04/2022	Utilities	1-710	1,178.00	1,178.00	

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
Total 4350:						<u>2,902.00</u>	
4351							
04/14/2022	Special District Management Servic	03/2022	Election Expense	1-635	325.40	325.40	
04/14/2022	Special District Management Servic	03/2022	Accounting	1-613	754.80	754.80	
04/14/2022	Special District Management Servic	03/2022	District Management	1-614	505.34	505.34	
04/14/2022	Special District Management Servic	03/2022	Management	3-614	209.00	209.00	
Total 4351:						<u>1,794.54</u>	
20220401							
04/14/2022	Denver Water	5256 04/2022	Utilities	1-710	24.20	24.20	M
Total 20220401:						<u>24.20</u>	
20220402							
04/14/2022	Denver Water	5261 04/2022	Utilities	1-710	17.20	17.20	M
Total 20220402:						<u>17.20</u>	
20220403							
04/14/2022	Denver Water	5392 04/2022	Utilities	1-710	17.20	17.20	M
Total 20220403:						<u>17.20</u>	
Grand Totals:						<u><u>134,278.45</u></u>	

Section 14 Metropolitan District
April-22

	General	Debt	Capital	Totals
Disbursements	\$ 11,782.20		\$ 122,437.65	\$ 134,219.85
Denver Water	\$ 58.60			\$ 58.60
Payroll				\$ -
Total Disbursements from Checking Acct	\$ 11,840.80	\$ -	\$ 122,437.65	\$ 134,278.45

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
4352							
05/26/2022	Bowles Village Center	05/2022	Landscape Maintenance	1-786	1,144.00	1,144.00	
05/26/2022	Bowles Village Center	05/2022	Utilities	1-710	1,043.00	1,043.00	
Total 4352:						2,187.00	
4353							
05/26/2022	Chanson, LLC	05/2022	Landscape Maintenance	1-786	2,881.00	2,881.00	
05/26/2022	Chanson, LLC	05/2022	Utilities	1-710	1,302.00	1,302.00	
Total 4353:						4,183.00	
4354							
05/26/2022	Colorado Community Media	55879	Outfall Structure No. 1	3-810	22.64	22.64	
05/26/2022	Colorado Community Media	55879	Outfall Structure No. 6	3-815	22.64	22.64	
Total 4354:						45.28	
4355							
05/26/2022	Dodge Data & Analytics	A40040724	Outfall Structure No. 1	3-810	69.02	69.02	
05/26/2022	Dodge Data & Analytics	A40040724	Outfall Structure No. 6	3-815	69.02	69.02	
Total 4355:						138.04	
4356							
05/26/2022	Edge Contracting, Inc.	PAY APP #2	Retainage Payable	3-318	3,170.42	3,170.42	
05/26/2022	Edge Contracting, Inc.	PAY APP #2	Retainage Payable	3-318	3,170.43	3,170.43	
Total 4356:						6,340.85	
4357							
05/26/2022	McGeady Becher P.C.	198M 03/2022	Legal	1-675	1,235.00	1,235.00	
Total 4357:						1,235.00	
4358							
05/26/2022	Section 14 Development Company	05/2022	Landscape Maintenance	1-786	1,794.00	1,794.00	
05/26/2022	Section 14 Development Company	05/2022	Utilities	1-710	294.00	294.00	
Total 4358:						2,088.00	
4359							
05/26/2022	Special District Management Servic	04/2022	District Management	1-614	784.62	784.62	
05/26/2022	Special District Management Servic	04/2022	Accounting	1-613	2,160.80	2,160.80	
05/26/2022	Special District Management Servic	04/2022	Election Expense	1-635	160.60	160.60	
05/26/2022	Special District Management Servic	04/2022	Management	3-614	627.00	627.00	
Total 4359:						3,733.02	
20220501							
05/26/2022	Denver Water	5261 05/2022	Utilities	1-710	33.76	33.76	M
Total 20220501:						33.76	
20220502							
05/26/2022	Denver Water	5392 05/2022	Utilities	1-710	182.80	182.80	M

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
Total 20220502:						<u>182.80</u>	
20220503							
05/26/2022	Denver Water	5256 05/2022	Utilities	1-710	1,009.52	<u>1,009.52</u>	M
Total 20220503:						<u>1,009.52</u>	
Grand Totals:						<u><u>21,176.27</u></u>	

Section 14 Metropolitan District

May-22

	General	Debt	Capital	Totals
Disbursements	\$ 12,799.02		\$ 7,151.17	\$ 19,950.19
Denver Water	\$ 1,226.08			\$ 1,226.08
Payroll				\$ -
<u>Total Disbursements from Checking Acct</u>	<u>\$ 14,025.10</u>	<u>\$ -</u>	<u>\$ 7,151.17</u>	<u>\$ 21,176.27</u>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/
4360							
06/23/2022	Bowles Village Center	06/2022	Landscape Maintenance	1-786	1,376.00	1,376.00	
06/23/2022	Bowles Village Center	06/2022	Utilities	1-710	679.00	679.00	
Total 4360:						2,055.00	
4361							
06/23/2022	Chanson, LLC	06/2022	Landscape Maintenance	1-786	6,092.00	6,092.00	
06/23/2022	Chanson, LLC	06/2022	Utilities	1-710	3,361.00	3,361.00	
Total 4361:						9,453.00	
4362							
06/23/2022	Jordan Perlmutter & Co.	OUTFALL NO. 6 06/	Outfall Structure No. 6	3-815	5,860.92	5,860.92	
06/23/2022	Jordan Perlmutter & Co.	OUTFALL NO.1 6/2	Outfall Structure No. 1	3-810	6,887.98	6,887.98	
Total 4362:						12,748.90	
4363							
06/23/2022	Manager of Finance	SD FEE 22-021	C&C of Denver Annual Fee	1-687	3,000.00	3,000.00	
Total 4363:						3,000.00	
4364							
06/23/2022	McGeady Becher P.C.	198M 04/2022	Legal	1-675	726.00	726.00	
06/23/2022	McGeady Becher P.C.	198M 05/2022	Legal	1-675	657.00	657.00	
Total 4364:						1,383.00	
4365							
06/23/2022	Section 14 Development Company	06/2022	Landscape Maintenance	1-786	3,078.00	3,078.00	
06/23/2022	Section 14 Development Company	06/2022	Utilities	1-710	858.00	858.00	
Total 4365:						3,936.00	
4366							
06/23/2022	Special District Management Servic	05/2022	Accounting	1-613	458.80	458.80	
06/23/2022	Special District Management Servic	05/2022	District Management	1-614	405.85	405.85	
06/23/2022	Special District Management Servic	05/2022	Election Expense	1-635	177.60	177.60	
06/23/2022	Special District Management Servic	05/2022	Management	3-614	247.00	247.00	
Total 4366:						1,289.25	
20220601							
06/23/2022	Denver Water	5261 06/2022	Utilities	1-710	33.76	33.76	M
Total 20220601:						33.76	
20220602							
06/23/2022	Denver Water	5392 06/2022	Utilities	1-710	257.32	257.32	M
Total 20220602:						257.32	
20220603							
06/23/2022	Denver Water	5256 06/2022	Utilities	1-710	2,930.48	2,930.48	M

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/I
Total 20220603:						<u>2,930.48</u>	
Grand Totals:						<u><u>37,086.71</u></u>	

Section 14 Metropolitan District
June-22

	General	Debt	Capital	Totals
Disbursements	\$ 20,869.25		\$ 12,995.90	\$ 33,865.15
Denver Water	\$ 3,221.56			\$ 3,221.56
Payroll				\$ -
<u>Total Disbursements from Checking Acct</u>	<u>\$ 24,090.81</u>	<u>\$ -</u>	<u>\$ 12,995.90</u>	<u>\$ 37,086.71</u>

SECTION 14 METROPOLITAN DISTRICT
Schedule of Cash Position
June 30, 2022

	Rate	Operating	Capital Projects	Total
Checking:				
Cash in Bank-US Bank		\$ 20,218.30	\$ -	\$ 20,218.30
Investments:				
Cash in Bank-ColoTrust	1.1707%	2,962,888.04	-	2,962,888.04
TOTAL FUNDS:		\$ 2,983,106.34	\$ -	\$ 2,983,106.34

2022 Mill Levy Information

Certified General Fund Mill Levy:	20.000
Certified Debt Service Fund Mill Levy:	
Current District	0.000
Westlake / Fairmark (Denver)	0.000
Villages at Raccoon Creek (Denver)	0.000
1994 Exclusion (Jefferson)	0.000
Grant Ranch Cove (Jefferson)	0.000
Total Certified Mill Levy	20.000

Board of Directors

- * Jay Perlmutter
- * Jonathan Perlmutter
- * Douglas C. Ernst
- G. Darwin Toll, Jr.
- Kenya Jenkins

* authorized signer on the checking account

SECTION 14 METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

June 30, 2022

SECTION 14 METROPOLITAN DISTRICT
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 2022

	GENERAL	CAPITAL PROJECTS	FIXED ASSETS	TOTAL
Assets				
Cash in Bank-US Bank	\$ 20,218	\$ -	\$ -	\$ 20,218
Cash in Bank-ColoTrust	2,962,888	-	-	2,962,888
Property Taxes Receivable	457,041	-	-	457,041
Total Current Assets	<u>3,440,147</u>	<u>-</u>	<u>-</u>	<u>3,440,147</u>
Capital Assets				
Monument signs	-	-	146,017	146,017
Contributed signs	-	-	145,852	145,852
Streets	-	-	157,386	157,386
Chanson Signs	-	-	61,960	61,960
Belleview Shores Signs	-	-	105,327	105,327
Accumulated Depreciation	-	-	(404,312)	(404,312)
Total Capital Assets	<u>-</u>	<u>-</u>	<u>212,231</u>	<u>212,231</u>
Total Assets	<u>\$ 3,440,147</u>	<u>\$ -</u>	<u>\$ 212,231</u>	<u>\$ 3,652,378</u>
Liabilities				
Payroll Taxes Payable	\$ -	\$ -	\$ -	\$ -
Due to County Treasurer	976	-	-	976
Total Liabilities	<u>976</u>	<u>-</u>	<u>-</u>	<u>976</u>
Deferred Inflows of Resources				
Deferred Property Taxes	457,041	-	-	457,041
Total Deferred Inflows of Resources	<u>457,041</u>	<u>-</u>	<u>-</u>	<u>457,041</u>
Fund Balance				
Investment in Fixed Assets	-	-	212,231	212,231
Fund Balance	2,330,125	(152)	-	2,329,973
Current Year Earnings	652,005	151	-	652,157
Total Fund Balances	<u>2,982,130</u>	<u>(0)</u>	<u>212,231</u>	<u>3,194,361</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 3,440,147</u>	<u>\$ (0)</u>	<u>\$ 212,231</u>	<u>\$ 3,652,378</u>

SECTION 14 METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 6 Months Ending
June 30, 2022
General Fund

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) variance	% of Budget
Revenues					
Property Taxes - Denver	\$ -	\$ 200,382	\$ 202,223	\$ (1,841)	99.1%
Property Taxes - Jeff. Cty.	283,484	681,297	1,137,693	(456,396)	59.9%
Specific Ownership Taxes	15,477	37,317	60,000	(22,683)	62.2%
Interest Income	853	6,317	1,500	4,817	421.1%
Total Revenues	<u>317,310</u>	<u>925,313</u>	<u>1,401,416</u>	<u>(476,103)</u>	<u>66.0%</u>
Expenditures					
Accounting	2,279	5,654	14,000	8,346	40.4%
District Management	2,366	4,062	30,000	25,938	13.5%
Audit	-	-	6,000	6,000	0.0%
Director's Fees	-	-	2,300	2,300	0.0%
Dues & Subscriptions	693	693	850	157	81.6%
Election Expense	503	1,305	5,000	3,695	26.1%
Insurance	5,893	5,893	7,800	1,907	75.6%
Legal	1,473	6,329	33,000	26,671	19.2%
Legal Publications	-	-	100	100	0.0%
Miscellaneous Expenses	51	102	1,000	898	10.2%
C&C of Denver Annual Fee	-	3,000	3,000	-	100.0%
Payroll Taxes	-	-	176	176	0.0%
Treasurer's Fees	4,252	12,220	20,099	7,879	60.8%
Utilities	13,835	28,834	110,000	81,166	26.2%
Landscape Maintenance	10,720	31,950	120,000	88,050	26.6%
Oper. & Maint. Detention Ponds	37,952	37,952	38,000	48	99.9%
Contingency	-	-	150,000	150,000	0.0%
Emergency Reserves	-	-	42,042	42,042	0.0%
Total Expenditures	<u>80,018</u>	<u>137,994</u>	<u>583,367</u>	<u>445,373</u>	<u>23.7%</u>
Excess (Deficiency) of Revenues Over Expenditures	237,292	787,319	818,049	(30,730)	
Transfers and Other (Sources) Uses					
Transfer to Capital	-	135,314	(435,000)	570,314	
Total Transfers and Other (Sources) Uses	<u>-</u>	<u>135,314</u>	<u>(435,000)</u>	<u>570,314</u>	
Change in Fund Balance	237,292	652,005	383,049	268,956	
Beginning Fund Balance	2,744,838	2,330,125	2,122,248	207,877	
Ending Fund Balance	<u>\$ 2,982,130</u>	<u>\$ 2,982,130</u>	<u>\$ 2,505,297</u>	<u>\$ 476,833</u>	

SECTION 14 METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 6 Months Ending
June 30, 2022
Capital Projects Fund

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) variance	% of Budget
Revenues					
Interest Income	\$ -	\$ -	\$ -	\$ -	0.0%
Miscellaneous income	\$ -	\$ -	\$ -	\$ -	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Reimbrse developer- cap. proj.	-	-	70,000	70,000	0.0%
Repay developer-interest	-	-	-	-	0.0%
Management	304	1,387	5,000	3,613	27.7%
Legal	-	70	45,000	44,930	0.2%
Storm Drainage Improvements	-	-	-	-	0.0%
Engineering	-	-	20,000	20,000	0.0%
Outfall Structure No. 1	1,270	82,069	90,000	7,931	91.2%
Outfall Structure No. 6	-	60,633	55,000	(5,633)	110.2%
Miscellaneous	-	-	-	-	0.0%
Contingency	-	-	150,000	150,000	0.0%
Total Expenditures	<u>1,574</u>	<u>144,159</u>	<u>435,000</u>	<u>290,841</u>	<u>33.1%</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,574)	(144,159)	(435,000)	290,841	
Transfers and Other (Sources) Uses					
Transfer from General Fund	(1,726)	(135,314)	435,000	(570,314)	
Concordia Cost Share	(4,498)	(4,498)	-	(4,498)	
Foothills PRD Cost Share	(4,498)	(4,498)	-	(4,498)	
Total Transfers and Other (Sources) Use:	<u>(10,722)</u>	<u>(144,310)</u>	<u>435,000</u>	<u>(579,310)</u>	
Change in Fund Balance	9,148	151	-	151	
Beginning Fund Balance	1,574	(152)	-	(152)	
Ending Fund Balance	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ -</u>	<u>\$ (0)</u>	

SECTION 14
METROPOLITAN DISTRICT
Denver and Jefferson Counties, Colorado

FINANCIAL STATEMENTS
DECEMBER 31, 2021

DRAFT 6/20/2022
SUBJECT TO REVISION

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SCHILLING & COMPANY, INC.

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Independent Auditor's Report

Board of Directors
Section 14 Metropolitan District
Denver and Jefferson Counties, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Section 14 Metropolitan District (District) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Section 14 Metropolitan District, as of December 31, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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. 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, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplemental Information

Management has omitted the management's discussion and analysis that governmental accounting principles generally accepted 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information.

The other information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Highlands Ranch, Colorado
June 27, 2022

DRAFT 6/20/2022
SUBJECT TO REVISION

BASIC FINANCIAL STATEMENTS

DRAFT 6/20/2022
SUBJECT TO REVISION

**SECTION 14 METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
December 31, 2021**

ASSETS

Cash and investments - unrestricted	\$ 2,367,111
Cash with County Treasurer	1,523
Property taxes receivable	1,339,916
Prepaid expense	5,893
Capital assets, net of depreciation	228,314
Total assets	3,942,757

LIABILITIES

Accounts payable	61,670
Due to County Treasurer	18,175
Total liabilities	79,845

DEFERRED INFLOWS OF RESOURCES

Property tax revenue	1,339,916
Total deferred inflows of resources	1,339,916

NET POSITION

Investment in capital assets	228,314
Restricted for emergencies	34,500
Restricted for capital projects	36
Unrestricted	2,260,146
Total net position	\$ 2,522,996

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**SECTION 14 METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES
Year Ended December 31, 2021**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
General government	\$ 507,454	\$ -	\$ -	\$ -	\$ (507,454)
	\$ 507,454	\$ -	\$ -	\$ -	\$ (507,454)
		General revenues: Taxes: Property taxes 1,069,744 Specific ownership taxes 78,592 Net investment income (1,113) Total general revenues 1,147,223 Change in net position 639,769 Net position - beginning 1,883,227 Net position - ending \$ 2,522,996			

These financial statements should be read only in connection with the accompanying notes to financial statements.

**SECTION 14 METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and investments - unrestricted	\$ 2,366,923	\$ -	\$ 188	\$ 2,367,111
Cash with County Treasurer	1,523	-	-	1,523
Property tax receivable	1,339,916	-	-	1,339,916
Prepaid expense	5,893	-	-	5,893
TOTAL ASSETS	<u>\$ 3,714,255</u>	<u>\$ -</u>	<u>\$ 188</u>	<u>\$ 3,714,443</u>
LIABILITIES				
Accounts payable	\$ 61,518	\$ -	\$ 152	\$ 61,670
Due to County Treasurer	18,175	-	-	18,175
Total liabilities	<u>79,693</u>	<u>-</u>	<u>152</u>	<u>79,845</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	1,339,916	-	-	1,339,916
Total deferred inflows of resources	<u>1,339,916</u>	<u>-</u>	<u>-</u>	<u>1,339,916</u>
FUND BALANCES				
Nonspendable - prepaid items	5,893	-	-	5,893
Spendable:				
Restricted for:				
Emergencies	34,500	-	-	34,500
Capital projects	-	-	36	36
Unassigned	2,254,253	-	-	2,254,253
Total fund balances	<u>2,294,646</u>	<u>-</u>	<u>36</u>	<u>2,294,682</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,714,255</u>	<u>\$ -</u>	<u>\$ 188</u>	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Some long-term assets used in governmental activities are not financial resources and, therefore, are not reported in the Balance Sheet - Governmental Funds.

Capital assets	<u>228,314</u>
Net position of governmental activities	<u>\$ 2,522,996</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**SECTION 14 METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2021**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUES				
Property tax	\$ 1,069,744	\$ -	\$ -	\$ 1,069,744
Specific ownership tax	78,592	-	-	78,592
Net investment income	(1,113)	-	-	(1,113)
Total revenues	<u>1,147,223</u>	<u>-</u>	<u>-</u>	<u>1,147,223</u>
EXPENDITURES				
Current				
Management fees	21,627	-	13,065	34,692
Accounting	11,384	-	-	11,384
Audit	5,200	-	-	5,200
Legal	33,264	-	50,683	83,947
Insurance	5,811	-	-	5,811
Directors fees	2,500	-	-	2,500
C&C of Denver annual fee	3,000	-	-	3,000
County Treasurer's fees	14,999	-	-	14,999
Dues and subscriptions	850	-	-	850
Payroll taxes	191	-	-	191
Utilities	103,747	-	-	103,747
Landscape maintenance	134,463	-	-	134,463
Detention ponds	35,162	-	-	35,162
Engineering	-	-	31,200	31,200
Miscellaneous	8,141	-	-	8,141
Total expenditures	<u>380,339</u>	<u>-</u>	<u>94,948</u>	<u>475,287</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>766,884</u>	<u>-</u>	<u>(94,948)</u>	<u>671,936</u>
OTHER FINANCING SOURCES (USES)				
Transfer (to) from other funds	(94,796)	(188)	94,984	-
Total other financing sources (uses)	<u>(94,796)</u>	<u>(188)</u>	<u>94,984</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	672,088	(188)	36	671,936
FUND BALANCES - BEGINNING OF YEAR	1,622,558	188	-	1,622,746
FUND BALANCES - END OF YEAR	<u>\$ 2,294,646</u>	<u>\$ -</u>	<u>\$ 36</u>	<u>\$ 2,294,682</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**SECTION 14 METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2021**

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in fund balances - Total governmental funds	\$ 671,936
<p>Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. Instead the cost of the asset is allocated over its estimated useful life, and recorded as depreciation expense in each of those years.</p>	
Depreciation	(32,167)
	<u>(32,167)</u>
Change in net position - Governmental activities	<u>\$ 639,769</u>

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These financial statements should be read only in connection with the accompanying notes to financial statements.

**SECTION 14 METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2021**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Property tax	\$ 1,097,639	\$ 1,069,744	\$ (27,895)
Specific ownership taxes	55,000	78,592	23,592
Net investment income	5,000	(1,113)	(6,113)
Total Revenues	<u>1,157,639</u>	<u>1,147,223</u>	<u>(10,416)</u>
EXPENDITURES			
Management fees	14,000	21,627	(7,627)
Accounting	12,000	11,384	616
Audit	6,000	5,200	800
Legal	30,100	33,264	(3,164)
Insurance	7,800	5,811	1,989
Directors fees	2,300	2,500	(200)
C&C of Denver annual fee	3,000	3,000	-
County Treasurer's fees	16,465	14,999	1,466
Dues and subscriptions	-	850	(850)
Payroll taxes	176	191	(15)
Utilities	110,000	103,747	6,253
Landscape maintenance	115,000	134,463	(19,463)
Detention ponds		35,162	(35,162)
Miscellaneous	1,000	8,141	(7,141)
Contingency	85,000	-	85,000
Emergency reserves	34,729	-	34,729
Total Expenditures	<u>437,570</u>	<u>380,339</u>	<u>57,231</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>720,069</u>	<u>766,884</u>	<u>46,815</u>
OTHER FINANCING SOURCES (USES)			
Transfer to other funds	<u>(425,000)</u>	<u>(94,796)</u>	<u>330,204</u>
Total other financing sources (uses)	<u>(425,000)</u>	<u>(94,796)</u>	<u>330,204</u>
NET CHANGE IN FUND BALANCE	295,069	672,088	377,019
FUND BALANCE - BEGINNING OF YEAR	1,617,911	1,622,558	4,647
FUND BALANCE - END OF YEAR	<u>\$ 1,912,980</u>	<u>\$ 2,294,646</u>	<u>\$ 381,666</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 – DEFINITION OF REPORTING ENTITY

Section 14 Metropolitan District (District), a quasi-municipal corporation, is governed pursuant to the provisions of the Colorado Special District Act. The District's service area is located in Jefferson and Denver Counties, Colorado. The District was established to provide financing for the acquisition, construction and installation of water and sewer facilities and park and open space facilities. The majority of the facilities constructed by the District have been conveyed to other entities for perpetual maintenance except certain roadway median landscaping improvements.

The District has no employees and all operations and administrative functions are contracted.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District, the difference between the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, being reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property and specific ownership taxes. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The Capital Projects Fund accounts for the financial resources to be used for the acquisition and construction of capital equipment and facilities.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each funds' average equity balance in total cash.

Capital Assets

Capital assets, which include land and infrastructure improvements, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in process and are not included in the calculation of net investment in capital assets component of the District's net position.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Monuments and signs	25 years
Streets	20 years

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 30 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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Deferred Inflows/Outflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources reported in the governmental funds for unavailable revenues are property taxes levied for the ensuing year.

Fund Balances – Governmental Funds

The District's governmental fund balances may consist of five classifications based on the relative strength of the spending constraints:

Nonspendable fund balance—the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance—the amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned fund balance—amounts the District intends to use for a specific purpose. Intent can be expressed by the District Board of Directors or by an official or body to which the District Board of Directors delegates the authority.

Unassigned fund balance—amounts that are available for any purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Board of Directors has provided otherwise in its commitment or assignment actions.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2021 are classified in the accompanying financial statements as follows:

Cash and investments - unrestricted	<u>\$ 2,367,111</u>
-------------------------------------	---------------------

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Cash and investments as of December 31, 2021 consist of the following:

Deposits with financial institutions	\$ 29,739
Investments	<u>2,337,372</u>
	<u>\$ 2,367,111</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

As of December 31, 2021, the District's cash deposits had a bank balance of \$32,853 and carrying balance of \$29,739.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District follows Colorado State Statutes which specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States and certain U.S. government agency securities and the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Certain reverse repurchase agreements
- . Certain securities lending agreements
- . Certain corporate bonds
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools

As of December 31, 2021, the District had the following investments:

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

<u>Investment</u>	<u>Maturity</u>	<u>Carrying Value</u>
COLOTRUST Plus+	Weighted average under 60 days	<u>\$2,337,372</u>

COLOTRUST

As of December 31, 2021, the District has invested in the Colorado Local Government Liquid Asset Trust (the Trust and/or COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund. The Trust offers shares in three portfolios, COLOTRUST Prime (Prime), COLOTRUST Plus+ (Plus+) and COLOTRUST Edge (Edge). All portfolios may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and instrumentalities, and repurchase agreements collateralized with certain U.S. government agencies or instrumentalities. COLOTRUST Plus+ and COLOTRUST Edge may also invest in the highest rated commercial paper. The Prime and Plus+ portfolios are restricted to a weighted average maturity (WAM) of 60 days or less while the Edge portfolio incorporates longer-dated securities with a WAM of 60 days or more. Both Prime and Plus+ portfolios are rated AAAM by Standard and Poor's and the EDGE portfolio is rated AAf/S1 by Fitch Ratings. Information related to COLOTRUST, including the annual audited financial statements, can be found at the COLOTRUST website at www.colotruster.com.

Investment Valuation

Certain investments are measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District's investments are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The District investment in COLOTRUST investment valuation was determined as follows.

COLOTRUST records its investments at fair value and the District records its investments in COLOTRUST at net asset value as determined by fair value. Each share of Prime and Plus is equal in value to \$1.00 and the redemption frequency is daily with no redemption notice period. Edge's net asset value is managed to approximate a \$10.00 transactional share price and the redemption frequency is five business days. The principal value of an Edge investment may fluctuate and could be greater or less than \$10.00 per share at time of purchase, prior to redemption, and at the time of redemption. There are no unfunded commitments.

NOTE 4 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2021 follows:

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

<u>Governmental Activities</u>	<u>Balance at December 31, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at December 31, 2021</u>
Capital assets, being depreciated:				
Monuments and signs	\$ 459,156	\$ -	\$ -	\$ 459,156
Streets	157,386	-	-	157,386
Total capital assets, being depreciated	<u>616,542</u>	<u>-</u>	<u>-</u>	<u>616,542</u>
Less accumulated depreciation for:				
Monuments and signs	(289,172)	(24,298)	-	(313,470)
Streets	(66,889)	(7,869)	-	(74,758)
Total accumulated depreciation	<u>(356,061)</u>	<u>(32,167)</u>	<u>-</u>	<u>(388,228)</u>
Total capital assets, being depreciated, net	260,481	(32,167)	-	228,314
Governmental activities capital assets, net	<u>\$ 260,481</u>	<u>\$ (32,167)</u>	<u>\$ -</u>	<u>\$ 228,314</u>

NOTE 5 – LONG-TERM OBLIGATIONS

As of December 31, 2021, the District has no long-term obligations.

Project Funding and Reimbursement Agreement for Signage at Chanson Plaza – Chanson LLP

On July 11, 2019, the District entered into a Project Funding and Reimbursement Agreement with Chanson, LLP, effective June 1, 2018. Per this agreement, Chanson LLP will retrofit existing signage public improvements and the District will reimburse Chanson LLP for verified costs. Reimbursement will be made from annually appropriated amounts available after the payment of the District's annual costs of operation and debt, after all allocations of amounts required for repair, replacement or depreciation, and after payment of debt service requirements on the existing debt of the District. Reimbursement shall be made no later than December 15, 2019. Interest will accrue at the rate of 7% per annum commencing on the date that the verified costs are expended by Chanson LLP. As of December 31, 2021, there were no advances due under the agreement.

Project Funding and Reimbursement Agreement for Signage at Belleview Shores – The Section 14 Development Co.

On July 11, 2019, the District entered into a Project Funding and Reimbursement Agreement with The Section 14 Development Co., effective June 1, 2018. Per this agreement, The Section 14 Development Co. will retrofit existing signage public improvements and the District will reimburse The Section 14 Development Co. for verified costs. Reimbursement will be made from annually appropriated amounts available after the payment of the District's annual costs of operation and debt, after all allocations of amounts required for repair, replacement or depreciation, and after payment of debt service requirements on the existing debt of the District. Reimbursement shall be made no later than December 15, 2019. Interest will accrue at the rate of 7% per annum commencing on the date that the verified costs are expended by The Section 14 Development Co. As of December 31, 2021, there were no advances due under the agreement.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Project Funding and Reimbursement Agreement (Future Projects) – Chanson LLP

On June 25, 2012, the District entered into a Project Funding and Reimbursement Agreement (Future Projects) with Chanson LLC (Chanson LLP as of December 2014). Per this agreement, Chanson LLP will design, construct, install and complete future improvements to the District's infrastructure not to exceed a total of \$59,999. Once the District has received written verification and certification from an independent engineer, the District will reimburse Chanson LLP for the verified costs using annually appropriated amounts available after the payment of its annual costs of operation and debt. This reimbursement will be on an annual basis. Interest will accrue at the rate of 7% per annum commencing on the date that the verified costs are expended by Chanson LLP. At December 31, 2021, there were no advances due under the agreement.

Project Funding and Reimbursement Agreement (Future Projects) – Bowles Village Center LLP

On June 25, 2012, the District entered into a Project Funding and Reimbursement Agreement (Future Projects) with Bowles Village Center LLC (Bowles Village Center LLP as of December 2014) (Bowles). Per this agreement, Bowles will design, construct, install and complete future improvements to the District's infrastructure not to exceed a total of \$59,999. Once the District has received written verification and certification from an independent engineer, the District will reimburse Bowles for the verified costs using annually appropriated amounts available after the payment of its annual costs of operation and debt. This reimbursement will be on an annual basis. Interest will accrue at the rate of 7% per annum commencing on the date that the verified costs are expended by Bowles. As of December 31, 2021, there were no advances due under the agreement.

Project Funding and Reimbursement Agreement (Future Projects) – The Section 14 Development Co.

On June 25, 2012, the District entered into a Project Funding and Reimbursement Agreement (Future Projects) with The Section 14 Development Co. (Section 14 Development). Per this agreement, Section 14 Development will design, construct, install and complete future improvements to the District's infrastructure not to exceed a total of \$59,999. Once the District has received written verification and certification from an independent engineer, the District will reimburse Section 14 Development for the verified costs using annually appropriated amounts available after the payment of its annual costs of operation and debt. This reimbursement will be on an annual basis. Interest will accrue at the rate of 7% per annum commencing on the date that the verified costs are expended by Section 14 Development. As of December 31, 2021, there were no advances due under the agreement.

NOTE 6 – DEBT AUTHORIZATION

As of December 31, 2021, the District had \$14,000,000 of authorized by unissued indebtedness for refunding purposes and \$1,050,000 for paying, reimbursing, financing or refinancing all or any part of the District's operating and maintenance expenses, or advances of operations and maintenance expenses made to the District, as follows:

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

	Authorized November 6, 2012 Election	Authorized November 5, 2019 Election	Authorization Used	Remaining at December 31, 2021
Refunding	\$ 14,000,000	\$ -	\$ -	\$ 14,000,000
Operating and Maintenance Expenses	-	1,050,000	-	1,050,000
	<u>\$ 14,000,000</u>	<u>\$ 1,050,000</u>	<u>\$ -</u>	<u>\$ 15,050,000</u>

NOTE 7 – FUND EQUITY

As of December 31, 2021, the District reported the following classifications of fund equity.

Nonspendable Fund Balance

The nonspendable fund balance in the General Fund in the amount of \$5,893 is comprised of prepaid amounts which are not in spendable form.

Restricted Fund Balance

The restricted fund balance in the General Fund in the amount of \$34,500 is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 12). The restricted fund balance in the Capital Projects fund in the amount of \$188 is comprised of amounts restricted for capital improvements.

NOTE 8 - NET POSITION

The District's net position consists of three components – investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, developer advances, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2021, the District reported \$228,314 as its investment in capital assets as no debt was issued to pay for construction.

The restricted portion of net position includes amounts that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District's restricted net position as of December 31, 2021 is as follows:

Restricted net position:	
Emergency reserves (see Note 12)	\$ 34,500
Capital Projects	<u>36</u>
	<u>\$ 34,536</u>

The District's unrestricted net position as of December 31, 2021 totaled \$2,260,146.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 – RELATED PARTIES

The primary Developer of the property which constitutes the District is Jordon Perlmutter & Co. (Developer). During 2021, a majority of the members of the Board of Directors were officers or employees for, or otherwise associated with the Developer and may have conflicts of interest in matters involving the District.

Cost Sharing Agreement

On June 26, 1998, and most recently revised on May 3, 2006, the District entered into a Cost Sharing Agreement with the Developer, pursuant to which the District and Developer agreed to share the cost of providing landscape maintenance services and irrigation to property in and around the District. The District's share of these expenses ranges from 28-60%, depending on the location. The District reimbursed the Developer approximately \$212,798 (including amounts accrues as of December 31, 2020) for landscape maintenance and utilities under the terms of this agreement during the year ended December 31, 2021. As of December 31, 2021 the District owed the Developer an additional \$17,900 under this agreement.

NOTE 10 - AGREEMENTS

Intergovernmental Agreement – Grant Water and Sanitation District

The District has a mutual service agreement with Grant Water and Sanitation District (Grant) which recognizes that the District has been formed to provide services as set forth in its service plan, including construction of water and sanitation facilities which Grant has determined it cannot currently construct. Facilities are to be constructed by the District in accordance with the master plan and the rules and regulations of the Grant Water and Sanitation District. All water and sanitation facilities shall be conveyed to Grant or the City of Denver for ownership and maintenance purposes.

License Agreement (Existing Signage and Monumentation) – Chanson LLP

On November 22, 2010, the District entered into a License Agreement with Chanson LLC (Chanson LLP as of December 2014) (Chanson). Per this agreement, Chanson grants the District a non-exclusive license for access to the existing signage and monumentation (Existing signage) on property owned by Chanson. In return, the District agrees to operate and maintain the Existing signage at its own expense.

License Agreement (Signage and Monumentation) – Chanson LLP

On November 22, 2010, the District entered into a License Agreement with Chanson LLC (Chanson LLP as of December 2014) (Chanson). Per this agreement, Chanson grants the District a non-exclusive license for access to any newly constructed signage and monumentation (Signage) on property owned by Chanson. In return, the District agrees to operate and maintain the Signage at its own expense.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

License Agreement (Existing Signage and Monumentation) – Bowles Village Center LLP

On November 22, 2010, the District entered into a License Agreement with Bowles Village Center LLC (Bowles Village Center LLP as of December 2014) (Bowles). Per this agreement, Bowles grants the District a non-exclusive license for access to the existing signage and monumentation (Existing signage) on property owned by Chanson. In return, the District agrees to operate and maintain the Existing signage at its own expense.

License Agreement (Existing Signage and Monumentation) – The Section 14 Development Co.

On November 22, 2010, the District entered into a License Agreement with The Section 14 Development Co. (Section 14 Development). Per this agreement, Section 14 Development grants the District a non-exclusive license for access to the existing signage and monumentation (Existing signage) on property owned by Chanson. In return, the District agrees to operate and maintain the Existing signage at its own expense.

Cost Sharing Agreement Outfall Structure No. 6 – Foothills Park and Recreation District and Concordia on the Lake, LLLP

On August 24, 2021, the District, Foothills Park and Recreation District (Foothills) and Concordia on the Lake, LLLP (Concordia) signed a cost sharing agreement in connection with outfall structure No. 6. The outfall structure No.6 is in need of repair with an estimated cost of \$99,131. The District, Foothills and Concordia have agreed to share equally in the repair costs and future maintenance and repair costs. The District is responsible for managing the repairs. Quarterly, the District is to bill Foothills and Concordia for costs incurred during the quarter. Beyond 2021, the District is to prepare and deliver a budget detailing the estimated amount of maintenance costs to Foothills and Concordia by October 1st annually. As of December 31, 2021, no costs have been incurred under this agreement.

NOTE 11 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God. The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2021. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 12 - TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations that apply to the State of Colorado and all local governments. Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On May 3, 1994, the District's electors authorized the District to retain and spend all revenue derived from sales tax reimbursements up to a maximum of \$2,000,000, program payment fees up to a maximum of \$2,000,000, revenues collected from rates, tolls, fees and charges for services or facilities furnished by the District up to a maximum of \$2,000,000 annually commencing in 1994 and all subsequent years without limitations under TABOR.

On November 6, 2012, a majority of the District's electors authorized the District to increase its taxes by \$320,296 annually beginning in 2013 and in each year thereafter without limitation under TABOR to pay administration, operations and capital expenses

On November 5, 2019, a majority of the District's electors authorized the District to increase its taxes by \$1,194,595 annually beginning in 2021 and in each year thereafter without limitation under TABOR to pay administration, operations and capital expenses; such taxes to consist of an ad valorem mill levy not to exceed 23.669 mills.

Additionally, a majority of the District's electors authorized the District to increase taxes by \$1,194,595 annually or by such lesser amount as necessary to pay the District's administration, operations, maintenance, and capital expenses, by the imposition of a fee or fees imposed, without limitation as to rate or amount or any other condition to pay such expenses and shall the proceeds of such fees and any investment income thereon be collected, retained and spent by the District in fiscal year 2019 and in each fiscal year thereafter as a voter-approved revenue change without regarding to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

This information is an integral part of the accompanying financial statements.

SUPPLEMENTAL INFORMATION

DRAFT 6/20/2022
SUBJECT TO REVISION

**SECTION 14 METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2021**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Total Expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	-	(188)	(188)	
Total other financing sources (uses)	-	(188)	(188)	-
NET CHANGE IN FUND BALANCE	-	(188)	(188)	-
FUND BALANCE - BEGINNING OF YEAR	156	188	188	-
FUND BALANCE - END OF YEAR	\$ 156	\$ -	\$ -	\$ -

DRAFT 6/20/2022
SUBJECT TO REVISION

**SECTION 14 METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year Ended December 31, 2021**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Total Revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Management fees	15,000	13,065	1,935
Legal	50,000	50,683	(683)
Engineering	60,000	31,200	28,800
Storm drainage improvements	200,000	-	200,000
Contingency	100,000	-	100,000
Total Expenditures	<u>425,000</u>	<u>94,948</u>	<u>330,052</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(425,000)</u>	<u>(94,948)</u>	<u>330,052</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	425,000	94,984	(330,016)
Total other financing sources (uses)	<u>425,000</u>	<u>94,984</u>	<u>(330,016)</u>
NET CHANGE IN FUND BALANCE	-	36	36
FUND BALANCE - BEGINNING OF YEAR	<u>418</u>	<u>-</u>	<u>(418)</u>
FUND BALANCE - END OF YEAR	<u>\$ 418</u>	<u>\$ 36</u>	<u>\$ (382)</u>

OTHER INFORMATION

DRAFT 6/20/2022
SUBJECT TO REVISION

**SECTION 14 METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION , MILL LEVY
AND PROPERTY TAXES COLLECTED FOR YEARS 2016 TO 2021
Year Ended December 31, 2021
(UNAUDITED)**

Year Ended December 31,	Assessed Valuation	Mills Levied	<u>Total Property Taxes</u>		Percent Collected to Levied
			Levied	Collected	
2016 Total Collections					
Jefferson County	\$ 38,108,589	23.290	\$ 887,549		
City & County of Denver	\$ 8,464,690	23.290	\$ 197,143		
<u>Plus Excluded Property Subject to Debt Levy Only</u>					
Jefferson County 1994 Exclusion	\$ 4,320,335	6.550	\$ 28,298		
Grant Ranch Cove Exclusion	\$ 3,537,679	18.180	\$ 64,315		
Westlake Exclusion	\$ 4,221,010	6.550	\$ 27,648		
Village @ Raccoon Creek Exclusion	\$ 3,512,810	18.180	\$ 63,863		
	<u>\$ 62,165,113</u>		<u>\$ 1,268,816</u>	<u>\$ 1,262,599</u>	<u>99.51%</u>
2017 Total Collections					
Jefferson County	\$ 37,534,351	23.669	\$ 888,401		
City & County of Denver	\$ 8,443,000	23.669	\$ 199,837		
<u>Plus Excluded Property Subject to Debt Levy Only</u>					
Jefferson County 1994 Exclusion	\$ 4,220,332	6.687	\$ 28,221		
Grant Ranch Cove Exclusion	\$ 3,546,470	18.559	\$ 65,819		
Westlake Exclusion	\$ 4,150,630	6.687	\$ 27,755		
Village @ Raccoon Creek Exclusion	\$ 3,506,510	18.559	\$ 65,077		
	<u>\$ 61,401,293</u>		<u>\$ 1,275,110</u>	<u>\$ 1,270,210</u>	<u>99.62%</u>
2018 Total Collections					
Jefferson County	\$ 42,757,296	23.691	\$ 1,012,964		
City & County of Denver	\$ 9,583,720	23.669	\$ 226,837		
<u>Plus Excluded Property Subject to Debt Levy Only</u>					
Jefferson County 1994 Exclusion	\$ 4,886,852	4.976	\$ 24,317		
Grant Ranch Cove Exclusion	\$ 3,672,778	14.006	\$ 51,441		
Westlake Exclusion	\$ 4,806,530	4.976	\$ 23,917		
Village @ Raccoon Creek Exclusion	\$ 3,762,240	13.812	\$ 51,964		
	<u>\$ 69,469,416</u>		<u>\$ 1,391,440</u>	<u>\$ 1,352,795</u>	<u>97.22%</u>
2019 Total Collections					
Jefferson County	\$ 41,154,972	23.803	\$ 979,613		
City & County of Denver	\$ 9,315,930	23.669	\$ 220,499		
<u>Plus Excluded Property Subject to Debt Levy Only</u>					
Jefferson County 1994 Exclusion	\$ 4,915,422	5.819	\$ 28,603		
Grant Ranch Cove Exclusion	\$ 3,689,155	16.150	\$ 59,580		
Westlake Exclusion	\$ 4,598,240	5.819	\$ 26,757		
Village @ Raccoon Creek Exclusion	\$ 3,592,890	16.150	\$ 58,025		
	<u>\$ 67,266,609</u>		<u>\$ 1,373,077</u>	<u>\$ 1,367,106</u>	<u>99.57%</u>
2020 Total Collections					
Jefferson County	\$ 42,890,765	20.465	\$ 877,761		
City & County of Denver	\$ 11,162,300	20.000	\$ 223,246		
	<u>\$ 73,311,652</u>		<u>\$ 1,101,007</u>	<u>\$ 1,099,122</u>	<u>99.83%</u>
2021 Total Collections					
Jefferson County	\$ 43,338,530	20.128	\$ 872,319		
City & County of Denver	\$ 11,266,070	20.000	\$ 225,321		
	<u>\$ 54,604,600</u>		<u>\$ 1,097,640</u>	<u>\$ 1,069,744</u>	<u>97.46%</u>
Estimated 2022 Total Collections					
Jefferson County	\$ 56,884,659	20.000	\$ 1,137,693		
City & County of Denver	\$ 10,111,170	20.000	\$ 202,223		
	<u>\$ 66,995,829</u>		<u>\$ 1,339,916</u>		

SECTION 14 METROPOLITAN DISTRICT

June 8, 2022

McGeady Becher, P.C.
450 East 17th Avenue, Suite 400
Denver, CO 80203

Our auditors, Schilling & Company, Inc., P.O. Box 631579, Highlands Ranch, Colorado 80163, are conducting an audit of our financial statements at December 31, 2021 and for the year then ended. This letter will serve as our consent for you to furnish to our auditors all the information requested herein. Accordingly, please provide to them the information requested below involving matters with respect to which you have been engaged and to which you have devoted substantive attention on behalf of Section 14 Metropolitan District in the form of legal consultation or representation.

Pending or Threatened Litigation, Claims, and Assessments (excluding unasserted claims and assessments)

Please prepare a description of all material pending or threatened litigation, claims, and assessments (excluding unasserted claims and assessments). The description of each case should include:

1. the nature of the litigation;
2. the progress of the matter to date;
3. how management of Section 14 Metropolitan District is responding or intends to respond to the litigation; e.g., to contest the case vigorously or to seek an out-of-court settlement; and
4. an evaluation of the likelihood of an unfavorable outcome and an estimate, if one can be made, of the amount or range of potential loss.

Also, please identify any pending or threatened litigation, claims, and assessments with respect to which you have been engaged but as to which you have not devoted substantive attention.

Unasserted Claims and Assessments

We have represented to our auditors that there are no unasserted possible claims or assessments that you have advised us are probable of assertion and must be disclosed in accordance with generally accepted accounting principles Governmental Accounting Standards Board Statement No. 62, Paragraph 100.

We understand that, whenever, in the course of performing legal services for us with respect to a matter recognized to involve an unasserted possible claim or assessment that may call for financial statement disclosure, if you have formed a professional conclusion that we should disclose or consider disclosure concerning such possible claim or assessment, as a matter of

professional responsibility to us, you will so advise us and will consult with us concerning the question of such disclosure and the applicable requirements of generally accepted accounting principles Governmental Accounting Standards Board Statement No. 62, Paragraph 100 (excerpts of which can be found in the ABA's *Auditor's Letter Handbook*). Please specifically confirm to our auditors that our understanding is correct.

Response

Your response should include matters that existed as of December 31, 2021, and during the period from that date to the effective date of your response. Please specify the date of your response if it is other than the date of reply.

Please specifically identify the nature of, and reasons for, any limitations on your response.

Other Matters

Please also indicate the amount we were indebted to you for services and expenses (billed and unbilled) on December 31, 2021.

Very truly yours,

A handwritten signature in blue ink, appearing to be 'AET' followed by a long horizontal stroke.

Section 14 Metropolitan District



June 19, 2022

Section 14 Metropolitan District
C/O Ann Finn
141 Union Boulevard, Suite 150
Lakewood, CO 80228

SECTION 14 METROPOLITAN DISTRICT STORMWATER TREATMENT FACILITIES ANNUAL INSPECTION AND MAINTENANCE CONTRACTING PROPOSAL

Stormwater Asset Protection, LLC (SWAP) is pleased to respond to your request to provide annual stormwater inspection and maintenance contracting services for the Section 14 (Project) Stormwater System.

SCOPE OF SERVICES

Review and Reporting – SWAP will provide a detailed report that identifies the storm sewer system outfalls and treatment facilities, their condition, and recommended corrections and maintenance including required reports to be sent to the local jurisdiction as needed.

Maintenance Contracting – SWAP will acquire and provide to the Management Company, bids to complete the recommended corrections and maintenance for contract approval, when necessary.

Oversight – SWAP will conduct oversight of the maintenance operations to ensure the quality of work meets the expectations of the community and Management Company.

FEE

SWAP proposes to perform Services on a Time and Material Basis in accordance with the Charge Rate Schedule below. Based on our experience, the total amount listed below should allocate the funds for the complete scope of services for all 5 ponds. Any excess funds may be used for additional services.

Review and Reporting	\$3,000.00 (Includes all Facilities)
Maintenance Contracting	\$1,500.00 (Does not include maintenance costs-as needed)
Oversight	\$1,500.00 (Includes all Facilities-as needed)
Total	\$6,000.00

2022 CHARGE RATE SCHEDULE

Services will be provided on a Labor Time and Expenses basis as provided below. Hourly rates are revised periodically to reflect the current cost for delivery of services and the fees charged for services under this engagement may change without notice. The Management Company agrees that IDES is authorized perform a task authorized under this scope of services.

Billing Rates

Project Administrator	\$115.00 per hour
Technical Specialist	\$150.00 per hour
Professional Engineer	\$160.00 per hour

Reimbursable Expenses

Mileage	IRS rate + 10%
Tolls	At cost + 10%

If you have any comments or questions, please feel free to contact me. We appreciate the opportunity to submit this proposal.

Respectfully Submitted,

Brandon Collins, PE

Brandon Collins P.E.
SWAP, LLC