

SECTION 14 METROPOLITAN DISTRICT

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

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Jay Perlmutter	President	2023/May 2023
Jonathan Perlmutter	Treasurer	2022/May 2022
Douglas C. Ernst	Assistant Secretary	2022/May 2022
G. Darwin Toll, Jr.	Assistant Secretary	2023/May 2023
Kenya Jenkins	Assistant Secretary	2022/May 2022
Ann Finn	Secretary	

DATE: June 28, 2021

TIME: 9:30 a.m.

PLACE: DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT BOARD MEETING WILL BE HELD VIA ZOOM WITHOUT ANY INDIVIDUALS (NEITHER DISTRICT REPRESENTATIVES NOR THE GENERAL PUBLIC) ATTENDING IN PERSON. IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE SEE THE BELOW REFERENCED ZOOM MEETING INFORMATION.

<https://us02web.zoom.us/j/86410199235?pwd=UVNWdzdtSitlM3dVYXNsdUxuS3h2QT09>

Phone: 1 (253) 215-8782 or 1 (346) 248-7799

Meeting ID: 864 1019 9235

Password: 192238

I. ADMINISTRATIVE MATTERS

- A. Present Disclosures of Potential Conflicts of Interest and confirm quorum.

- B. Approve Agenda; confirm location of the meeting and posting of meeting notice.

- C. Review and approve Minutes of the March 18, 2021 Special Meeting (enclosure).

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

II. PUBLIC 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.
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III. FINANCIAL MATTERS

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

Fund	Period ending March 30, 2021	Period ending April 23, 2021	Period ending May 28, 2021
General	\$ 16,649.89	\$ 31,926.46	\$ 10,769.31
Debt	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 15,644.50	\$ 6,392.00	\$ 2,235.00
Total	\$ 32,294.39	\$ 38,318.46	\$ 13,004.31

- B. Review and accept unaudited financial statements through the period ending March 31, 2021, and the schedule of cash position statement dated March 31, 2021 (enclosure).
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- C. Review and consider approval of 2020 (draft audit – enclosed) Audit and authorize execution of Representations Letter (enclosure).
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- D. Ratify appointment of the District Accountant to prepare the 2022 Budget and set the date for a Public Hearing to adopt the 2021 Budget for November 29, 2021, at 9:30 a.m., to be held at the offices of Jordon Perlmutter & Company, 1601 Blake Street, Suite 600, Denver, Colorado.
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IV. LEGAL MATTERS

- A. Consider approval of Cost Sharing Agreement between the District, Foothills Park & Recreation District and Concordia on the Lake LLLP (to be distributed).
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- B. Review and consider approval of First Amendment to Master Service Agreement between the District and Proof Civil Co. for Civil Engineering Services (enclosure).
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- C. Discuss Easement Agreements and/or any necessary Amendments thereto between Chanson LLP, the District, and Foothills Park and Recreation District (to be distributed).
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- D. Review and consider adoption of Second Amendment to Resolution No. 2013-11-05; Regarding Colorado Open Records Act Requests (enclosure).
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V. CAPITAL PROJECTS

- A. Discuss status of the Chanson Plaza Storm Drainage Improvements Project for Outfall Structure No. 1 (enclosures – map and estimate).
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- 1. Discuss payment of Floodplain Permit Application, in the amount of \$500.00.
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- B. Discuss status of the Chanson Plaza Storm Drainage Improvements Project for Outfall Structure No. 6 (enclosures).
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- C. Discuss ownership and maintenance responsibility for Outfall Structure No. 8.
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- D. Discuss adding Outfall Structure No. 8 to the Service Agreement for Stormwater Inspection and Maintenance between the District and Storm Water Asset Protection LLC.
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- E. Discuss status of the renovation of the monument sign for Bowles Village Shopping Center.
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VI. OTHER MATTERS

- A. _____
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VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 29, 2021 – BUDGET HEARING**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SECTION 14 METROPOLITAN DISTRICT HELD MARCH 18, 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 Thursday, the 18th day of March, 2021, at 9:30 a.m. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held by conference call. The meeting was open to the public via conference call.

ATTENDANCE

Directors In Attendance Were:

Jay Perlmutter
Jonathan Perlmutter
Douglas C. Ernst
G. Darwin Toll, Jr.
Kenya Jenkins (for a portion of the meeting)

Also In Attendance Were:

Ann Finn and Steve Beck (for a portion of the meeting); Special District Management Services, Inc.

MaryAnn M. McGeady, Esq. and Kate Olson, Esq.; McGeady Becher P.C.

Julia Robinson, Esq.; Robinson Bailey PC (for a portion of the meeting)

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. Attorney McGeady 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.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

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

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

Meeting Location/Manner and Posting of Meeting Notice: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. It was noted that due to concerns regarding the spread of the COVID-19 and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held and properly noticed to be held via telephone conference, without any individuals (neither District representatives nor the general public) attending in person. Ms. Finn reported that notice was duly posted and that no objections to the telephonic manner of the meeting or any requests that the telephonic manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

Minutes: The Board reviewed the Minutes of the January 21, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Toll, seconded by Director Ernst and, upon vote, unanimously carried, the Board approved the Minutes of the January 21, 2021 Special Meeting.

PUBLIC COMMENTS

There were no public comments at this time.

FINANCIAL MATTERS

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

Fund	Period ending January 22, 2021	Period ending February 19, 2021
General	\$ 25,135.10	\$ 17,189.35
Debt	\$ 0	\$ 0
Capital	\$ 0	\$ 15,259.00
Total	\$ 25,135.10	\$ 32,448.35

RECORD OF PROCEEDINGS

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

Unaudited Financial Statements: Mr. Beck reviewed with the Board the unaudited financial statements through the period ending December 31, 2020, and the schedule of cash position statement dated December 31, 2020.

Following review, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Toll and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending December 31, 2020, and the schedule of cash position statement dated December 31, 2020, as presented.

CAPITAL IMPROVEMENTS

Chanson Plaza Outfall Projects: Attorney Olson provided an overview and update to the Board regarding the Chanson Plaza Outfall Project. Director Toll reported on new information concerning Outfall No. 8 and noted the information will need to be verified.

Adjacent Outfall Projects (Outfall Structure Nos. 1-5, 7, and 8):

Master Service Agreement for Civil Engineering Services between the District and Proof Civil Co.:

Task Order No. 1 (Adjacent Outfall Structure No. 1) to Master Service Agreement for Civil Engineering Services between the District and Proof Civil Co.: The Board entered into discussion regarding Task Order No. 1 (Adjacent Outfall Structure No. 1) to Master Service Agreement for Civil Engineering Services between the District and Proof Civil Co.

Following review, upon motion duly made by Director Toll, seconded by Director Jenkins and, upon vote, unanimously carried, the Board approved Task Order No. 1 (Adjacent Outfall Structure No. 1) to Master Service Agreement for Civil Engineering Services between the District and Proof Civil Co.

Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants, Inc.: The Board entered into discussion regarding a Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants, Inc.

RECORD OF PROCEEDINGS

Following review, upon motion duly made by Director Toll, seconded by Director Jenkins and, upon vote, unanimously carried, the Board ratified approval of the Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants, Inc.

Task Order No. 1 (Adjacent Outfall Structure No. 1) to Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants Inc.: The Board entered into discussion regarding Task Order No. 1 (Adjacent Outfall Structure No. 1) to Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants Inc.

Following review, upon motion duly made by Director Toll, seconded by Director Jenkins and, upon vote, unanimously carried, the Board approved Task Order No. 1 (Adjacent Outfall Structure No. 1) to Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants Inc.

Service Agreement with Schedio Group LLC for Independent District Engineering Services: The Board reviewed a Service Agreement between the District and Schedio Group LLC for Independent District Engineering Services.

Following review, upon motion duly made by Director Toll, seconded by Director Jenkins and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement between the District and Schedio Group LLC for Independent District Engineering Services.

Change Order No. 1 (Adjacent Outfall Structure No. 1) to Service Agreement with Schedio Group LLC for Independent District Engineering Services: The Board entered into discussion regarding Change Order No. 1 (Adjacent Outfall Structure No. 1) to Service Agreement with Schedio Group LLC for Independent District Engineering Services.

Following review, upon motion duly made by Director Toll, seconded by Director Jenkins and, upon vote, unanimously carried, the Board approved Change Order No. 1 (Adjacent Outfall Structure No. 1) to Service Agreement with Schedio Group LLC for Independent District Engineering Services.

Proposal from Manhard Consulting, Ltd. for Surveying Services for Adjacent Outfall Structures: The Board reviewed a proposal from Manhard Consulting, Ltd. for surveying services for Adjacent Outfall Structures.

RECORD OF PROCEEDINGS

Following review, upon motion duly made by Director Toll, seconded by Director Jenkins and, upon vote, unanimously carried, the Board approved the proposal from Manhard Consulting, Ltd. for surveying services for Adjacent Outfall Structures.

Project Management Agreement between the District and Jordan Perlmutter & Co. for Outfall Structures Nos. 1 and 6: The Board reviewed a Project Management Agreement between the District and Jordan Perlmutter & Co. for Outfall Structures Nos. 1 and 6.

Following review, upon motion duly made by Director Toll, seconded by Director Jenkins and, upon vote, unanimously carried, the Board approved the Project Management Agreement between the District and Jordan Perlmutter & Co. for Outfall Structures Nos. 1 and 6.

Proposal from Storm Water Asset Protection LLC (“SWAP”) for Stormwater System Inspections, Contract Bidding/Oversight and Development of a Maintenance Manual for Outfall Structure Nos. 2, 3, 4, 5, 7: Ms. Finn reviewed a proposal from SWAP for Stormwater System Inspections, Contract Bidding/Oversight and Development of a Maintenance Manual for Outfall Structure Nos. 2, 3, 4, 5 and 7.

Following review and discussion, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Toll and, upon vote, unanimously carried, the Board approved the proposal from SWAP for Stormwater System Inspections, Contract Bidding/Oversight and Development of a Maintenance Manual, for the amount of \$8,000.

Non-Adjacent Outfall Projects (Outfall Structure No. 6):

Master Service Agreement for Civil Engineering Services between the District and Proof Civil Co.:

Task Order No. 2 (Non-Adjacent Outfall Structure No. 6) to Master Service Agreement for Civil Engineering Services between the District and Proof Civil Co.: The Board entered into discussion regarding Task Order No. 2 (Non-Adjacent Outfall Structure No. 6) to Master Service Agreement for Civil Engineering Services between the District and Proof Civil Co.

Following review, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Jay Perlmutter and, upon vote, unanimously carried, the Board approved Task Order No. 2 (Non-Adjacent Outfall Structure No. 6) to

RECORD OF PROCEEDINGS

Master Service Agreement for Civil Engineering Services between the District and Proof Civil Co.

Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants, Inc.: The Board entered into discussion regarding a Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants, Inc.

Following review, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Jay Perlmutter and, upon vote, unanimously carried, the Board ratified approval of the Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants, Inc.

Task Order No. 2 (Non-Adjacent Outfall Structure No. 6) to Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants, Inc.: The Board entered into discussion regarding Task Order No. 2 (Non-Adjacent Outfall Structure No. 6) to Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants, Inc.

Following review, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Jay Perlmutter and, upon vote, unanimously carried, the Board approved Task Order No. 2 (Non-Adjacent Outfall Structure No. 6) to Master Service Agreement for Material Testing and Special Inspection Services between the District and Ground Engineering Consultants, Inc.

Service Agreement with Schedio Group LLC for Independent District Engineering Services:

Change Order No. 2 (Non-Adjacent Outfall Structure No. 6) to Service Agreement with Schedio Group LLC for Independent District Engineering Services: The Board entered into discussion regarding Change Order No. 2 (Non-Adjacent Outfall Structure No. 6) to Service Agreement with Schedio Group LLC for Independent District Engineering Services.

Following review, upon motion duly made by Director Toll, seconded by Director Jenkins and, upon vote, unanimously carried, the Board approved Change Order No. 2 (Non-Adjacent Outfall Structure No. 6) to Service Agreement with Schedio Group LLC for Independent District Engineering Services.

RECORD OF PROCEEDINGS

Engineer's Report and Verification of Costs Associated with Project Management Fees dated March 12, 2021, prepared by Schedio Group LLC: The Board reviewed the Engineer's Report and Verification of Costs Associated with Project Management Fees dated March 12, 2021, prepared by Schedio Group LLC.

Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Jenkins and, upon vote, unanimously carried, the Board approved the Engineer's Report and Verification of Costs Associated with Project Management Fees dated March 12, 2021, prepared by Schedio Group LLC.

Proposal from Manhard Consulting, Ltd. for Surveying Services for Adjacent Outfall Structure No. 8 and Non-Adjacent Outfall Structure No. 6: The Board reviewed a proposal from Manhard Consulting, Ltd. for surveying services for Adjacent Outfall Structure No. 8 and Non-Adjacent Outfall Structure No. 6.

Following discussion, upon motion duly made by Director Jenkins, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board approved the proposal from Manhard Consulting, Ltd. for surveying services for Adjacent Outfall Structure No. 8 and Non-Adjacent Outfall Structure No. 6, subject to confirmation on which property benefits from Outfall Structure No. 8.

Project Management Agreement between the District and Jordan Perlmutter & Co. for Outfall Structure Nos. 1 and 6: The Board entered into discussion regarding a Project Management Agreement between the District and Jordan Perlmutter & Co. for Outfall Structure Nos. 1 and 6.

Following discussion, upon motion duly made by Director Ernst, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board approved the Project Management Agreement between the District and Jordan Perlmutter & Co. for Outfall Structure Nos. 1 and 6.

Term Sheet and Cost Sharing Agreement between the District, Foothills Park & Recreation District and Concordia on the Lake LLLP: Attorney Olson reviewed with the Board a Term Sheet and discussed the status of the Cost Sharing Agreement between the District, Foothills Park & Recreation District and Concordia on the Lake LLLP. She advised the Board she is working with Terry Green with Foothills Park & Recreation District and Julia Robinson with Robinson Bailey PC on the final terms of the Cost Sharing Agreement.

RECORD OF PROCEEDINGS

LEGAL MATTERS

There were no legal matters.

OTHER MATTERS

Monument Sign: Director Jonathan Perlmutter noted for the Board the developer is designing a new monument sign for the Bowles Village Shopping Center and once completed, the cost for the monument renovation will be submitted to the District for cost verification, acceptance and reimbursement.

ADJOURNMENT

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

Respectfully submitted,

By: _____
Secretary for the Meeting

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
4254							
03/30/2021	Bowles Village Center	03/2021	Landscape Maintenance	1-786	1,498.00	1,498.00	
03/30/2021	Bowles Village Center	03/2021	Utilities	1-710	2,234.00	2,234.00	
Total 4254:						<u>3,732.00</u>	
4255							
03/30/2021	Chanson, LLC	03/2021	Landscape Maintenance	1-786	4,496.00	4,496.00	
03/30/2021	Chanson, LLC	03/2021	Utilities	1-710	4,450.00	4,450.00	
Total 4255:						<u>8,946.00</u>	
4256							
03/30/2021	McGeady Becher P.C.	198M 02/2021	Legal	1-675	1,510.50	1,510.50	
03/30/2021	McGeady Becher P.C.	198M 02/2021	Legal	3-675	12,242.50	12,242.50	
Total 4256:						<u>13,753.00</u>	
4257							
03/30/2021	Special District Management Servic	02/2021	Accounting	1-613	532.00	532.00	
03/30/2021	Special District Management Servic	02/2021	District Management	1-614	1,929.39	1,929.39	
03/30/2021	Special District Management Servic	02/2021	Management	3-614	3,402.00	3,402.00	
Total 4257:						<u>5,863.39</u>	
Grand Totals:						<u><u>32,294.39</u></u>	

Section 14 Metropolitan District

March-21

	General	Debt	Capital	Totals
Disbursements	\$ 16,649.89		\$ 15,644.50	\$ 32,294.39
Payroll				\$ -
Payroll Taxes (Annually)	\$ -			\$ -
Total Disbursements from Checking Acct	\$ 16,649.89	\$ -	\$ 15,644.50	\$ 32,294.39

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/
4258							
04/23/2021	Bowles Village Center	04/2021	Landscape Maintenance	1-786	634.00	634.00	
04/23/2021	Bowles Village Center	04/2021	Utilities	1-710	359.00	359.00	
Total 4258:						993.00	
4259							
04/23/2021	Chanson, LLC	04/2021	Landscape Maintenance	1-786	4,549.00	4,549.00	
04/23/2021	Chanson, LLC	04/2021	Utilities	1-710	874.00	874.00	
Total 4259:						5,423.00	
4260							
04/23/2021	Denver Water	5256 03/21	Utilities	1-710	23.17	23.17	
04/23/2021	Denver Water	5256 03/21	Utilities	1-710	23.17-	23.17-	V
04/23/2021	Denver Water	5256 04/21	Utilities	1-710	23.17	23.17	
04/23/2021	Denver Water	5256 04/21	Utilities	1-710	23.17-	23.17-	V
04/23/2021	Denver Water	5261 03/21	Utilities	1-710	16.46	16.46	
04/23/2021	Denver Water	5261 03/21	Utilities	1-710	16.46-	16.46-	V
04/23/2021	Denver Water	5261 04/21	Utilities	1-710	16.46	16.46	
04/23/2021	Denver Water	5261 04/21	Utilities	1-710	16.46-	16.46-	V
04/23/2021	Denver Water	5392 03/21	Utilities	1-710	16.46	16.46	
04/23/2021	Denver Water	5392 03/21	Utilities	1-710	16.46-	16.46-	V
04/23/2021	Denver Water	5392 04/21	Utilities	1-710	16.46	16.46	
04/23/2021	Denver Water	5392 04/21	Utilities	1-710	16.46-	16.46-	V
Total 4260:						.00	
4261							
04/23/2021	Manhard Consulting	59711	Contingency	1-799	4,900.00	4,900.00	
04/23/2021	Manhard Consulting	60032	Contingency	1-799	2,300.00	2,300.00	
Total 4261:						7,200.00	
4262							
04/23/2021	McGeady Becher P.C.	198M 03/2021	Legal	1-675	5,531.30	5,531.30	
04/23/2021	McGeady Becher P.C.	198M 03/2021	Legal	3-675	4,628.00	4,628.00	
Total 4262:						10,159.30	
4263							
04/23/2021	Schedio Group, LLC	210101-0843	Contingency	1-799	740.00	740.00	
Total 4263:						740.00	
4264							
04/23/2021	Section 14 Development Company	03/2021	Landscape Maintenance	1-786	1,936.00	1,936.00	
04/23/2021	Section 14 Development Company	03/2021	Utilities	1-710	2,348.00	2,348.00	
04/23/2021	Section 14 Development Company	04/2021	Landscape Maintenance	1-786	3,260.00	3,260.00	
04/23/2021	Section 14 Development Company	04/2021	Utilities	1-710	291.00	291.00	
Total 4264:						7,835.00	
4265							
04/23/2021	Special District Management Servic	03/2021	Accounting	1-613	574.00	574.00	
04/23/2021	Special District Management Servic	03/2021	District Management	1-614	3,056.23	3,056.23	
04/23/2021	Special District Management Servic	03/2021	Management	3-614	1,764.00	1,764.00	

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/
Total 4265:						<u>5,394.23</u>	
20210401							
04/23/2021	Denver Water	5261 03/21	Utilities	1-710	16.46	<u>16.46</u>	M
Total 20210401:						<u>16.46</u>	
20210402							
04/23/2021	Denver Water	5256 03/21	Utilities	1-710	23.17	<u>23.17</u>	M
Total 20210402:						<u>23.17</u>	
20210403							
04/23/2021	Denver Water	5392 03/21	Utilities	1-710	16.46	<u>16.46</u>	M
Total 20210403:						<u>16.46</u>	
20210404							
04/23/2021	Denver Water	5256 04/21	Utilities	1-710	23.17	<u>23.17</u>	M
Total 20210404:						<u>23.17</u>	
20210405							
04/23/2021	Denver Water	5392 04/21	Utilities	1-710	16.46	<u>16.46</u>	M
Total 20210405:						<u>16.46</u>	
20210406							
04/23/2021	Denver Water	5261 04/21	Utilities	1-710	16.46	<u>16.46</u>	M
Total 20210406:						<u>16.46</u>	
Grand Totals:						<u><u>37,856.71</u></u>	

<u>Check Issue Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Amount</u>
04/23/2021	9117	Ernst, Douglas C	92.35
04/23/2021	9118	Toll Jr, G Darwin	92.35
04/23/2021	9119	Perlmutter, Jay	92.35
04/23/2021	9120	Perlmutter, Jonathan	92.35
04/23/2021	9121	Jenkins, Kenya	92.35
Grand Totals:			
	<u>5</u>		<u>461.75</u>

Section 14 Metropolitan District
April-21

	General	Debt	Capital	Totals
Disbursements	\$ 31,464.71		\$ 6,392.00	\$ 37,856.71
Payroll	\$ 461.75			\$ 461.75
Payroll Taxes (Annually)	\$ -			\$ -
<u>Total Disbursements from Checking Acct</u>	<u>\$ 31,926.46</u>	<u>\$ -</u>	<u>\$ 6,392.00</u>	<u>\$ 38,318.46</u>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
4266							
05/28/2021	Bowles Village Center	05/2021	Landscape Maintenance	1-786	634.00	634.00	
05/28/2021	Bowles Village Center	05/2021	Utilities	1-710	694.00	694.00	
Total 4266:						1,328.00	
4267							
05/28/2021	Chanson, LLC	05/2021	Landscape Maintenance	1-786	1,798.00	1,798.00	
05/28/2021	Chanson, LLC	05/2021	Utilities	1-710	921.00	921.00	
Total 4267:						2,719.00	
4268							
05/28/2021	McGeady Becher P.C.	198M 04/2021	Legal	1-675	559.00	559.00	
05/28/2021	McGeady Becher P.C.	198M 04/2021	Legal	3-675	1,515.00	1,515.00	
Total 4268:						2,074.00	
4269							
05/28/2021	Section 14 Development Company	05/2021	Landscape Maintenance	1-786	1,936.00	1,936.00	
05/28/2021	Section 14 Development Company	05/2021	Utilities	1-710	2,050.00	2,050.00	
Total 4269:						3,986.00	
4270							
05/28/2021	Special District Management Servic	04/2021	Accounting	1-613	1,092.00	1,092.00	
05/28/2021	Special District Management Servic	04/2021	District Management	1-614	1,029.22	1,029.22	
05/28/2021	Special District Management Servic	04/2021	Management	3-614	720.00	720.00	
Total 4270:						2,841.22	
20210501							
05/28/2021	Denver Water	5261 05/21	Utilities	1-710	16.46	16.46	M
Total 20210501:						16.46	
20210502							
05/28/2021	Denver Water	5392 05/21	Utilities	1-710	16.46	16.46	M
Total 20210502:						16.46	
20210503							
05/28/2021	Denver Water	5256 05/21	Utilities	1-710	23.17	23.17	M
Total 20210503:						23.17	
Grand Totals:						13,004.31	

Section 14 Metropolitan District
May-21

	General	Debt	Capital	Totals
Disbursements	\$ 10,769.31		\$ 2,235.00	\$ 13,004.31
Payroll				\$ -
Payroll Taxes (Annually)	\$ -			\$ -
Total Disbursements from Checking Acct	\$ 10,769.31	\$ -	\$ 2,235.00	\$ 13,004.31

SECTION 14 METROPOLITAN DISTRICT
Schedule of Cash Position
March 31, 2021

	<u>Rate</u>	<u>Operating</u>	<u>Capital Projects</u>	<u>Total</u>
Checking:				
Cash in Bank-US Bank		\$ 20,754.23	\$ -	\$ 20,754.23
Investments:				
Cash in Bank-ColoTrust	0.0648%	1,713,165.17	-	1,713,165.17
TOTAL FUNDS:		<u>\$ 1,733,919.40</u>	<u>\$ -</u>	<u>\$ 1,733,919.40</u>

2021 Mill Levy Information

Certified General Fund Mill Levy:	20.128
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	<u>20.128</u>

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
March 31, 2021

SECTION 14 METROPOLITAN DISTRICT
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 March 31, 2021

	GENERAL	CAPITAL PROJECTS	FIXED ASSETS	TOTAL
Assets				
Cash in Bank-US Bank	\$ 20,754	\$ -	\$ -	\$ 20,754
Cash in Bank-ColoTrust	1,713,165	-	-	1,713,165
Property Taxes Receivable	933,345	-	-	933,345
Cash with County Treasurer	-	-	-	-
Prepays	-	-	-	-
Total Current Assets	<u>2,667,265</u>	<u>-</u>	<u>-</u>	<u>2,667,265</u>
Other Debits				
Amount in Debt Service Fund	-	-	-	-
Amount to be Provided for Debt	-	-	-	-
Total Other Debits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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	-	-	(364,103)	(364,103)
Total Capital Assets	<u>-</u>	<u>-</u>	<u>252,440</u>	<u>252,440</u>
Total Assets	<u>\$ 2,667,265</u>	<u>\$ -</u>	<u>\$ 252,440</u>	<u>\$ 2,919,704</u>
Liabilities				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Payroll Taxes Payable	\$ 77	\$ -	\$ -	\$ 77
Total Liabilities	<u>77</u>	<u>-</u>	<u>-</u>	<u>77</u>
Deferred Inflows of Resources				
Deferred Property Taxes	933,345	-	-	933,345
Total Deferred inflows of Resources	<u>933,345</u>	<u>-</u>	<u>-</u>	<u>933,345</u>
Fund Balance				
Investment in Fixed Assets	-	-	252,440	252,440
Fund Balance	1,629,921	-	-	1,629,921
Current Year Earnings	103,921	-	-	103,921
Total Fund Balances	<u>1,733,843</u>	<u>-</u>	<u>252,440</u>	<u>1,986,283</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 2,667,265</u>	<u>\$ -</u>	<u>\$ 252,440</u>	<u>\$ 2,919,704</u>

SECTION 14 METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 3 Months Ending,
March 31, 2021
General Fund

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) variance	% of Budget
Revenues					
Property Taxes - Denver	\$ 2,214	\$ 2,551	\$ 225,321	\$ (222,770)	1.1%
Property Taxes - Jeff. Cty.	161,600	161,743	872,318	(710,575)	18.5%
Specific Ownership Taxes	6,567	12,476	55,000	(42,524)	22.7%
Interest Income	93	344	5,000	(4,656)	6.9%
Total Revenues	<u>170,474</u>	<u>177,114</u>	<u>1,157,639</u>	<u>(980,525)</u>	<u>15.3%</u>
Expenditures					
Accounting	532	2,340	12,000	9,660	19.5%
District Management	1,929	4,341	14,000	9,659	31.0%
Audit	-	-	6,000	6,000	0.0%
Director's Fees	-	500	2,300	1,800	21.7%
Dues & Subscriptions	-	850	-	(850)	0.0%
Election Expense	-	-	-	-	0.0%
Insurance	-	5,811	7,800	1,989	74.5%
Legal	1,511	5,937	30,000	24,063	19.8%
Legal Publications	-	-	100	100	0.0%
Miscellaneous Expenses	17	62	1,000	938	6.2%
C&C of Denver Annual Fee	-	-	3,000	3,000	0.0%
Payroll Taxes	-	38	176	138	21.7%
Treasurer's Fees	2,438	2,444	16,465	14,021	14.8%
Utilities	6,740	8,982	110,000	101,018	8.2%
Landscape Maintenance	5,994	10,983	115,000	104,017	9.6%
Contingency	-	-	85,000	85,000	0.0%
Total Expenditures	<u>19,161</u>	<u>42,289</u>	<u>402,841</u>	<u>360,552</u>	<u>10.5%</u>
Excess (Deficiency) of Revenues Over Expenditures	151,313	134,825	754,798	(619,973)	
Transfers and Other (Sources) Uses					
Transfer to Capital	15,645	30,904	425,000	394,097	
Transfer to Debt Service	-	-	-	-	
Emergency Reserves	-	-	34,729	34,729	
Total Transfers and Other (Sources) Uses	<u>15,645</u>	<u>30,904</u>	<u>459,729</u>	<u>428,826</u>	
Change in Fund Balance	135,669	103,921	295,069	(191,148)	
Beginning Fund Balance	1,598,174	1,629,921	1,617,911	12,010	
Ending Fund Balance	<u>\$ 1,733,843</u>	<u>\$ 1,733,843</u>	<u>\$ 1,912,980</u>	<u>\$ (179,137)</u>	

SECTION 14 METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 3 Months Ending,
March 31, 2021
Capital Projects Fund

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) variance	% of Budget
Revenues					
Interest Income	\$ -	\$ -	\$ -	\$ -	0.0%
Transfer from General Fund	15,645	30,904	425,000	(394,097)	7.3%
Total Revenues	<u>15,645</u>	<u>30,904</u>	<u>425,000</u>	<u>(394,097)</u>	<u>7.3%</u>
Expenditures					
Reimbrse developer- cap. proj.	-	-	-	-	0.0%
Repay developer-interest	-	-	-	-	0.0%
Management	3,402	4,680	15,000	10,320	31.2%
Legal	12,243	26,224	50,000	23,777	52.4%
Storm Drainage Improvements	-	-	200,000	200,000	0.0%
Engineering	-	-	60,000	60,000	0.0%
Miscellaneous	-	-	-	-	0.0%
Contingency	-	-	100,000	100,000	0.0%
Total Expenditures	<u>15,645</u>	<u>30,904</u>	<u>425,000</u>	<u>394,097</u>	<u>7.3%</u>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	
Beginning Fund Balance	-	-	418	(418)	
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 418</u>	<u>\$ (418)</u>	

SECTION 14
METROPOLITAN DISTRICT
Denver and Jefferson Counties, Colorado

FINANCIAL STATEMENTS
DECEMBER 31, 2020

Preliminary Draft
Subject to Revision

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SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

Independent Auditor's Report

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

Report for the Financial Statements

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2020, 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.

Other-Matters

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.

Other 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.

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 28, 2021

BASIC FINANCIAL STATEMENTS

Preliminary Draft
Subject to Revision

**SECTION 14 METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
December 31, 2020**

ASSETS

Cash and investments - unrestricted	\$ 1,642,841
Cash with County Treasurer	6,640
Property taxes receivable	1,097,639
Prepaid expense	5,811
Capital assets, net of depreciation	260,481
Total assets	3,013,412

LIABILITIES

Accounts payable	32,546
Total liabilities	32,546

DEFERRED INFLOWS OF RESOURCES

Property tax revenue	1,097,639
Total deferred inflows of resources	1,097,639

NET POSITION

Investment in capital assets	260,481
Restricted for emergencies	35,600
Unrestricted	1,587,146
Total net position	\$ 1,883,227

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, 2020**

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	\$ 408,309	\$ -	-	-	\$ (408,309)
Interest and fiscal charges	10,904	-	-	-	(10,904)
	<u>\$ 419,213</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(419,213)</u>
General revenues:					
Taxes:					
Property taxes					1,099,122
Specific ownership taxes					77,265
Net investment income					9,471
Total general revenues					<u>1,185,858</u>
Change in net position					<u>766,645</u>
Net position - beginning					1,116,582
Net position - ending					<u>\$ 1,883,227</u>

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, 2020**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and investments - unrestricted	\$ 1,642,841	\$ -	\$ -	\$ 1,642,841
Cash with County Treasurer	6,640	-	-	6,640
Property tax receivable	1,097,639	-	-	1,097,639
Prepaid expense	5,811	-	-	5,811
TOTAL ASSETS	<u>\$ 2,752,931</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,752,931</u>
LIABILITIES				
Accounts payable	\$ 32,546	\$ -	\$ -	\$ 32,546
Total liabilities	<u>32,546</u>	<u>-</u>	<u>-</u>	<u>32,546</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	1,097,639	-	-	1,097,639
Total deferred inflows of resources	<u>1,097,639</u>	<u>-</u>	<u>-</u>	<u>1,097,639</u>
FUND BALANCES				
Nonspendable - prepaid items	5,811	-	-	5,811
Spendable:				
Restricted for:				
Emergencies	35,600	-	-	35,600
Unassigned	1,581,335	-	-	1,581,335
Total fund balances	<u>1,622,746</u>	<u>-</u>	<u>-</u>	<u>1,622,746</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,752,931</u>	<u>\$ -</u>	<u>\$ -</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>260,481</u>
Net position of governmental activities	<u>\$ 1,883,227</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, 2020**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUES				
Property tax	\$ 1,099,122	\$ -	\$ -	\$ 1,099,122
Specific ownership tax	77,265	-	-	77,265
Net investment income	9,437	32	2	9,471
Total revenues	<u>1,185,824</u>	<u>32</u>	<u>2</u>	<u>1,185,858</u>
EXPENDITURES				
Current				
Management fees	14,427	-	3,854	18,281
Accounting	10,976	-	-	10,976
Audit	5,042	-	-	5,042
Legal	32,703	-	15,591	48,294
Insurance	6,946	-	-	6,946
Election expense	1,164	-	-	1,164
Directors fees	1,500	-	-	1,500
C&C of Denver annual fee	3,000	-	-	3,000
County Treasurer's fees	15,372	-	-	15,372
Payroll taxes	115	-	-	115
Utilities	118,036	-	-	118,036
Landscape maintenance	126,999	-	-	126,999
Engineering	-	-	20,210	20,210
Miscellaneous	207	-	-	207
Developer reimbursement	-	-	206,914	206,914
Debt service				
Paying agent fees and other fees	-	188	-	188
Total expenditures	<u>336,487</u>	<u>188</u>	<u>246,569</u>	<u>583,244</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>849,337</u>	<u>(156)</u>	<u>(246,567)</u>	<u>602,614</u>
OTHER FINANCING SOURCES (USES)				
Transfer to other funds	(246,238)	-	-	(246,238)
Transfer from other funds	-	-	246,238	246,238
Total other financing sources (uses)	<u>(246,238)</u>	<u>-</u>	<u>246,238</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>603,099</u>	<u>(156)</u>	<u>(329)</u>	<u>602,614</u>
FUND BALANCES - BEGINNING OF YEAR	<u>1,019,647</u>	<u>156</u>	<u>329</u>	<u>1,020,132</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,622,746</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,622,746</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, 2020**

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	\$ 602,614
<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>
<p>The repayment of the principal of long-term debt consumes current financial resources of governmental funds. However, it has no effect on net position.</p>	
Developer advance principal payments	167,287
	<u>167,287</u>
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Change in accrued interest payable - advances	28,911
	<u>28,911</u>
Change in net position - Governmental activities	<u>\$ 766,645</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 BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Property tax	\$ 1,101,005	\$ 1,099,122	\$ (1,883)
Specific ownership taxes	86,608	77,265	(9,343)
Net investment income	5,001	9,437	4,436
Total Revenues	<u>1,192,614</u>	<u>1,185,824</u>	<u>(6,790)</u>
EXPENDITURES			
Management fees	12,000	14,427	(2,427)
Accounting	12,000	10,976	1,024
Audit	6,000	5,042	958
Legal	25,100	32,703	(7,603)
Insurance	7,300	6,946	354
Directors fees	2,300	1,500	800
Election expense	1,000	1,164	(164)
C&C of Denver annual fee	3,000	3,000	-
County Treasurer's fees	16,515	15,372	1,143
Dues and subscriptions	600	-	600
Payroll taxes	176	115	61
Utilities	110,000	118,036	(8,036)
Landscape maintenance	115,000	126,999	(11,999)
Miscellaneous	1,000	207	793
Contingency	85,000	-	85,000
Emergency reserves	35,778	-	35,778
Total Expenditures	<u>432,769</u>	<u>336,487</u>	<u>96,282</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>759,845</u>	<u>849,337</u>	<u>89,492</u>
OTHER FINANCING SOURCES (USES)			
Transfer to other funds	<u>(1,332,454)</u>	<u>(246,238)</u>	<u>1,086,216</u>
Total other financing sources (uses)	<u>(1,332,454)</u>	<u>(246,238)</u>	<u>1,086,216</u>
NET CHANGE IN FUND BALANCE	(572,609)	603,099	1,175,708
FUND BALANCE - BEGINNING OF YEAR	611,351	1,019,647	408,296
FUND BALANCE - END OF YEAR	<u>\$ 38,742</u>	<u>\$ 1,622,746</u>	<u>\$ 1,584,004</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, 2020**

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, 2020**

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, 2020**

The District incurred expenditures in excess of appropriation for the year ended December 31, 2020 in the Debt Service Fund, which may be in violation of the Local Government Budget Law.

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, 2020**

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.

Debt Issue Costs and Original Issue Discount/Premium

In the government-wide financial statements, debt premiums and discounts are deferred and amortized over the life of the debt using the effective interest method, with the unamortized amount included as a component of the debt. Debt issuance costs are treated as a period cost and expensed in the year incurred.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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, 2020 are classified in the accompanying financial statements as follows:

Cash and investments - unrestricted	<u>\$ 1,642,841</u>
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Cash and investments as of December 31, 2020 consist of the following:

Deposits with financial institutions	\$ 18,486
Investments	<u>1,624,355</u>
	<u>\$ 1,642,841</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.

At December 31, 2020, the District's cash deposits had a bank balance of \$40,540 and carrying balance of \$18,486.

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

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

- . 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

At December 31, 2020, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Carrying Value</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted average under 60 days	<u>\$1,624,355</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (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 COLOTRUST. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. COLOTRUST is rated AAAM by Standard and Poor's. A designated custodial bank serves as custodian for COLOTRUST's portfolio pursuant to custodian agreements. The custodian acts as safekeeping agent for COLOTRUST's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by COLOTRUST. As of December 31, 2020, the District had \$1,624,355 invested in COLOTRUST held directly by the District. 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 held investments in COLOTRUST and the First American Treasury Obligation Fund at yearend for which the investment valuations were determined as follows.

COLOTRUST determines the NAV of the shares of each portfolio as of the close of business of each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of COLOTRUST, are accrued

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

daily. The NAV is calculated at fair value using various inputs in determine value in accordance with FASB guidance. It is the goal of the Trust to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by COLOTRUST and there can be no assurance that the NAV will not vary from \$1.00 per share.

NOTE 4 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2020 follows:

<u>Governmental Activities</u>	<u>Balance at December 31, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at December 31, 2020</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	264,874	24,298	-	289,172
Streets	59,020	7,869	-	66,889
Total accumulated depreciation	<u>323,894</u>	<u>32,167</u>	<u>-</u>	<u>356,061</u>
Total capital assets, being depreciated, net	292,648	(32,167)	-	260,481
Governmental activities capital assets, net	<u>\$ 292,648</u>	<u>\$ (32,167)</u>	<u>\$ -</u>	<u>\$ 260,481</u>

NOTE 5 – LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2020:

	<u>Balance at December 31, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at December 31, 2020</u>
Chanson, LLP advances	\$ 61,960	\$ -	\$ (61,960)	\$ -
Chanson, LLP interest	11,308	3,969	(15,277)	-
Section 14 Development Co. advances	105,327	-	(105,327)	-
Section 14 Development Co. interest	17,603	6,747	(24,350)	-
	<u>\$ 196,198</u>	<u>\$ 10,716</u>	<u>\$ (206,914)</u>	<u>\$ -</u>

The detail of the District's long-term debt is as follows:

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, 2019. 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

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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. During 2020, the District paid \$61,960 in principal and \$15,277 in accrued interest under the agreement, and recognized interest expense of \$3,969.

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, 2019. 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. During 2020, the District paid \$105,327 in principal and \$24,350 in accrued interest under the agreement, and recognized interest expense of \$6,747.

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, 2020, there were no advances due under the agreement.

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

On June 25, 2012, the District entered into a Project Funding and Reimbursement Agreement (Future Projects) with Bowles Village Center, LLC (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. At December 31, 2020, there were no advances due under the agreement.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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

On June 25, 2012, the District entered into a Project Funding and Reimbursement Agreement (Future Projects) with 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. At December 31, 2020, there were no advances due under the agreement.

NOTE 6 – DEBT AUTHORIZATION

At December 31, 2020, the District had \$14,000,000 of authorized by unissued indebtedness for refunding purposes.

NOTE 7 – FUND EQUITY

At December 31, 2020, the District reported the following classifications of fund equity.

Nonspendable Fund Balance

The nonspendable fund balance in the General Fund in the amount of \$5,811 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 \$35,600 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).

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, 2020, the District reported \$260,481 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 at December 31, 2020 is as follows:

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

Restricted net position:

Emergency reserves (see Note 12)	\$ 35,600
	<u>\$ 35,600</u>

The District's unrestricted net position at December 31, 2020 totaled \$1,587,147.

NOTE 9 – RELATED PARTIES

The primary Developer of the property which constitutes the District is Jordon Perlmutter & Co. (Developer). During 2020, 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 \$217,158 for landscape maintenance and utilities under the terms of this agreement during the year ended December 31, 2020.

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, LLP (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, LLP (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, 2020**

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

On November 22, 2010, the District entered into a License Agreement with Bowles Village Center, LLC (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) – Section 14 Development Co.

On November 22, 2010, the District entered into a License Agreement with 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.

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, 2020. 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.

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.

**SECTION 14 METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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 2020 and in each year thereafter without limitation under TABOR to pay administration, operations and capital expenses.

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.

Preliminary Draft
Subject to Revision

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

SUPPLEMENTAL INFORMATION

Preliminary Draft
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, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Net investment income	\$ -	\$ 32	\$ 32
Total Revenues	<u>-</u>	<u>32</u>	<u>32</u>
EXPENDITURES			
Paying agent and other fees	-	188	(188)
Total Expenditures	<u>-</u>	<u>188</u>	<u>(188)</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>(156)</u>	<u>(156)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>-</u>	<u>156</u>	<u>156</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Preliminary Draft
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, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Net investment income	\$ 15	\$ 2	\$ (13)
Total Revenues	<u>15</u>	<u>2</u>	<u>(13)</u>
EXPENDITURES			
Management fees	10,000	3,854	6,146
Legal	30,000	15,591	14,409
Developer reimbursement	380,000	206,914	173,086
Engineering	30,000	20,210	9,790
Storm drainage improvements	200,000	-	200,000
Contingency	1,799	-	1,799
Total Expenditures	<u>651,799</u>	<u>246,569</u>	<u>405,230</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(651,784)</u>	<u>(246,567)</u>	<u>405,217</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	1,332,454	246,238	(1,086,216)
Total other financing sources (uses)	<u>1,332,454</u>	<u>246,238</u>	<u>(1,086,216)</u>
NET CHANGE IN FUND BALANCE	680,670	(329)	(680,999)
FUND BALANCE - BEGINNING OF YEAR	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ 680,670</u>	<u>\$ (329)</u>	<u>\$ (680,999)</u>

OTHER INFORMATION

Preliminary Draft
Subject to Revision

**SECTION 14 METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION , MILL LEVY
AND PROPERTY TAXES COLLECTED FOR YEARS 2015 TO 2020
Year Ended December 31, 2020
(UNAUDITED)**

Year Ended December 31,	Assessed Valuation	Mills Levied	Total Property Taxes		Percent Collected to Levied
			Levied	Collected	
2015 Total Collections					
Jefferson County	\$ 36,808,664	23.422	\$ 862,132		
City & County of Denver	\$ 7,870,650	23.552	\$ 185,369		
<u>Plus Excluded Property Subject to Debt Levy Only</u>					
Jefferson County 1994 Exclusion	\$ 3,745,159	6.846	\$ 25,639		
Grant Ranch Cove Exclusion	\$ 3,038,017	19.088	\$ 57,989		
Westlake Exclusion	\$ 3,369,410	6.846	\$ 23,067		
Village @ Raccoon Creek Exclusion	\$ 3,028,900	19.038	\$ 57,664		
	<u>\$ 57,860,800</u>		<u>\$ 1,211,860</u>	<u>\$ 1,211,116</u>	<u>99.94%</u>
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>Plus Excluded Property Subject to Debt Levy Only</u>					
Jefferson County 1994 Exclusion	\$ 5,783,353	0.000	\$ -		
Grant Ranch Cove Exclusion	\$ 3,985,184	0.000	\$ -		
Westlake Exclusion	\$ 5,647,680	0.000	\$ -		
Village @ Raccoon Creek Exclusion	\$ 3,842,370	0.000	\$ -		
	<u>\$ 73,311,652</u>		<u>\$ 1,101,007</u>	<u>\$ 1,099,122</u>	<u>99.83%</u>

SECTION 14 METROPOLITAN DISTRICT

June 28, 2021

Schilling & Company, Inc.
PO Box 631579
Highlands Ranch, CO 80163

This representation letter is provided in connection with your audit of the financial statements of Section 14 Metropolitan District, which comprise the respective financial position of the governmental activities and each major fund as of December 31, 2020, and the respective changes in financial for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of the Independent Auditor's Report the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 26, 2020 including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for the preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units, if any, required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or

payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We have reviewed the attached exhibit of corrected misstatements and are in agreement with them. We have directed that these correcting entries be posted to the accounting records of the District.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the District and involves:
 - a) Management,
 - b) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented, if any.
- 21) The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 24) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 28) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 29) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 30) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 31) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if any.
- 32) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 33) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

- 34) Components of net position (restricted and unrestricted), and components of fund balance (nonspendable, restricted, and unassigned) are properly classified and, if applicable, approved.
- 35) Investments are properly valued.
- 36) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 37) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 38) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 39) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 40) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 41) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 42) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 43) The Management's Discussion and Analysis which is required supplementary information (RSI) has been omitted from the financial statements. We are aware that such information is required by accounting principles generally accepted in the United States.
- 44) With respect to the Supplementary Information as listed in the table of contents:
 - a) We acknowledge our responsibility for presenting the Supplementary Information in accordance with accounting principles generally accepted in the United States of America, and we believe the Supplementary Information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the Supplementary Information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the Supplementary Information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 45) The District understands that TABOR (Section 20 of Article X of the Colorado Constitution) is complex and subject to interpretation and that many of the provisions will require judicial interpretation. We have reviewed the various provisions and interpretations and believe to the best of our knowledge at this time, the District is in compliance.

46) We have directed that all banking and savings and loan institutions be notified of our assigned number which identifies that our deposits are subject to the respective Public Deposit Protection Act.

SECTION 14 METROPOLITAN DISTRICT

Member of the Board of Directors

District Accountant

Adj. Journal Entries
Section 14 Metropolitan District
December 31, 2020

Done by:	Date:	Index:
Reviewer:	Date:	

AJE No.	Account Description	W/P Ref	Account Number	Debits	Credits
1	Landscape Maintenance	AA	1-786	4,989.00	
1	Utilities		1-710	2,186.00	
1	Accounts Payable		1-310		7,175.00
To record additional accounts payable at 12/31/20					
Totals				7,175.00	7,175.00

**FIRST AMENDMENT TO MASTER SERVICE AGREEMENT FOR
CIVIL ENGINEERING SERVICES**

THIS FIRST AMENDMENT TO MASTER SERVICE AGREEMENT FOR DISTRICT ENGINEERING SERVICES (“**First Amendment**”) is entered into as of May _____, 2021, and made effective as of _____, 2021, by and between **SECTION 14 METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **PROOF CIVIL CO.**, a Colorado corporation (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. The Parties entered into that certain Master Service Agreement for Civil Engineering Services dated and effective February 1, 2021, whereby Consultant agreed to provide independent professional civil engineering services for the District as specified in Exhibit A attached thereto (the “**Agreement**”).

B. The Parties desire to enter into this First Amendment to update the services included in Exhibit A of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

II. TASK ORDERS

1. Defined Terms. All terms which are not defined herein shall have the same meaning as set forth in the Agreement.
2. Amendment to Exhibit A. Exhibit A to the Agreement is hereby deleted in its entirety and replaced with Exhibit A attached hereto and incorporated herein.
3. Full Force and Effect. Except as expressly set forth in this First Amendment, all provisions of the Agreement remain unchanged and in full force and effect, valid and binding on the parties thereto.
4. Counterparts. This First Amendment may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

[SIGNATURE PAGES FOLLOW]

[SIGNATURE PAGE 1 of 2 TO CIVIL ENGINEERING SERVICE AGREEMENT]

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the day and year first above written.

Consultant:

PROOF CIVIL CO., a Colorado corporation

By: _____

Its: Jason DeYoung, President

STATE OF COLORADO

)

) ss.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this ____ day of May, 2021, by Jason DeYoung as President of Proof Civil Co.

Witness my hand and official seal.

My commission expires: _____

Notary Public

[SIGNATURE PAGE 2 of 2 TO CIVIL ENGINEERING SERVICE AGREEMENT]

District:
**SECTION 14 METROPOLITAN
DISTRICT**

By: _____
Jay Perlmutter, President

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of May, 2021, by Jay Perlmutter, as President of Section 14 Metropolitan District.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A

Scope of Services

The Consultant will provide the following professional engineering services for two (2) outfall structures. *The approximate location of the outfall structures into Johnson Reservoir are identified on the attached map.*

I. TASK ORDER 1 [Pertains to Outfall Structure #1]

A. Outfall Design – Downstream of Large Forebay – Outfall #1 (See “1” on the attached map)

Consultant will analyze the existing failed **outfall structure #1** and adjacent armament to prepare construction documents for a revised design. Consultant will model the existing spillway and storm sewer using HEC-RAS and hydraulic sewer modeling software in order to inform the design of erosion protection, energy dissipation, and cutoff wall of the proposed design. Consultant will use this data along with the findings of the alternatives analysis previously prepared and will assemble grading, storm and erosion control plans and details.

B. Cost Estimate for Outfall Structure #1

Consultant will prepare an engineer’s estimate of cost for the proposed improvements included in the construction document for **outfall structure #1**. The estimate of cost will be based on the Consultant’s best judgement as qualified professional engineers. As the Consultant does not have control over the cost of labor, materials, equipment or services, the engineer’s estimate of cost should be used as a budgeting tool and the Consultant cannot guarantee that actual construction bids will not vary in cost.

II. TASK ORDER 2 (Pertains to Outfall Structure #6)

A. Outfall Design – Downstream of Open Channel (See “6” on the attached map)

Consultant will analyze the existing failed **outfall structure #6** and adjacent armament to prepare construction documents for a revised design. The Consultant will model the existing culvert design and overtopping section using HEC-RAS and FHWA HY8 modeling software in order to inform the design of erosion protection, energy dissipation, and cutoff wall of the proposed design. Consultant will use this data along with the findings of the alternatives analysis previously prepared and will assemble grading, storm and erosion control plans and details.

B. Cost Estimate for Outfall #6

Consultant will prepare an engineer’s estimate of cost for the proposed improvements included in the construction documents for **outfall structure #6**. The estimate of cost will be based on the Consultant’s best judgement as qualified professional engineers. As the Consultant does not have control over the cost of labor, materials, equipment or services, the engineer’s estimate of

cost should be used as a budgeting tool and the Consultant cannot guarantee that actual construction bids will not vary in cost.

III. TASK ORDER 3 (Pertains to Outfall Structure #1)

A. Inspection/Maintenance and Life Cycle Analysis for Outfall Structure #1

The Consultant will prepare inspection checklists to be used in inspection and maintenance of the proposed improvements at **outfall structure #1**. Consultant will also prepare a life cycle analysis of the proposed improvements and associated components.

IV. TASK ORDER 4 (Pertains to Outfall Structure #6)

A. Inspection/Maintenance and Life Cycle Analysis for Outfall #6

The Consultant will prepare inspection checklists to be used in inspection and maintenance of the proposed improvements at **outfall structure #6**. Consultant will also prepare a life cycle analysis of the proposed improvements and associated components.

Approximate Location of the 2 Outfall Structures



**SECOND AMENDMENT TO RESOLUTION NO. 2013-11-05
SECTION 14 METROPOLITAN DISTRICT
REGARDING COLORADO OPEN RECORDS ACT REQUESTS**

A. On November 25, 2013, Section 14 Metropolitan District (the “**District**”) adopted Resolution No. 2013-11-05 Regarding Colorado Open Records Act Requests (the “**Resolution**”).

B. The District desires to amend the Resolution due to a change in the District’s Official Custodian.

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

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Resolution.

2. Amendment to Section 1 of Resolution. Section 1 of the Resolution is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

“1. Special District Management Service, Inc., the Manager for the District, is hereby designated as the “**Official Custodian**” of the public records of the District, as such term is defined in Section 24-72-202(2), C.R.S. Contact information for the Official Custodian is: Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228; (303) 987-0835.”

3. Except as expressly set forth herein, the Resolution continues to be effective without modification.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO SECOND AMENDMENT TO RESOLUTION REGARDING
COLORADO OPEN RECORDS ACT REQUESTS]**

RESOLUTION APPROVED AND ADOPTED ON JUNE 28, 2021.

**SECTION 14 METROPOLITAN
DISTRICT**

By: _____
President

Attest:

Secretary

Approximate Location of the 8 Outfall Structures

■■■■■ = approximate boundary of Chanson LLP's Property (Chanson Plaza)

For discussion purposes: "Adjacent" = outfall structure #s 1-5, 7 & 8
"Not Adjacent" = outfall structure #6





Proof Civil Co.
 600 Grant Street, Suite 210
 Denver, CO 80203

Invoice

Date	Invoice #
6/1/2021	1291

Bill To
Jordan Perlmutter & Co. 1601 Blake St., #600 Denver, CO 80202

Remit To
Proof Civil Co. Attn: Accounting Dept. 600 Grant Street, Suite 210 Denver, CO 80203 303.325.5709

Job # - Project Name				
21013-2-Johnson Reservoir Outfall Struct				
Scope Description	Compensation	% Complete	Previously Billed	Amount
Task Order 1 - Outfall Design – Downstream of Large Forebay – Outfall #1	10,000.00	80.00%		8,000.00
Task Order 1 - Cost Estimate for Outfall #1	700.00	50.00%		350.00
Task Order 3 - Inspection/Maintenance and Life Cycle Analysis for Outfall #1	1,000.00	0.00%		0.00

Thank you for your business!	Total	\$8,350.00
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Proof Civil Co.
 600 Grant Street, Suite 210
 Denver, CO 80203

Invoice

Date	Invoice #
6/1/2021	1292

Bill To
Jordan Perlmutter & Co. 1601 Blake St., #600 Denver, CO 80202

Remit To
Proof Civil Co. Attn: Accounting Dept. 600 Grant Street, Suite 210 Denver, CO 80203 303.325.5709

Job # - Project Name

21013-2-Johnson Reservoir Outfall Struct

Scope Description	Compensation	% Complete	Previously Billed	Amount
Task Order 2 - Outfall Design – Downstream of Open Channel - Outfall #6	10,500.00	80.00%		8,400.00
Task Order 2 - Cost Estimate for Outfall #6	700.00	50.00%		350.00
Task Order 4 - Inspection/Maintenance and Life Cycle Analysis for Outfall #6	1,000.00	0.00%		0.00

Thank you for your business!	Total	\$8,750.00
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Johnson Reservoir Improvements

Structure 6

<i>COST ESTIMATE (Option A)</i>				
<i>Site Preparation</i>				
Material	Unit	Quantity	Unit Cost	Total
Mobilization	LS	1	\$7,000	\$7,000
Water Control and Dewatering	LS	1	\$10,000	\$10,000
Demolition	LS	1	\$2,000	\$2,000
<i>Subtotal</i>				\$19,000
<i>Outfall Materials</i>				
Material	Unit	Quantity	Unit Cost	Total
Reset 29"x72" FES	LS	1	\$1,000	\$1,000
Sheet Pile (15'x6')	SF	90	\$60	\$5,400
Type H Riprap	CY	30	\$140	\$4,200
Type M Riprap	CY	76	\$100	\$7,600
Flow Fill 1' Depth	SY	144	\$55	\$7,920
2.5' Boulder	LF	15	\$250	\$3,750
Fence	LF	50	\$20	\$1,000
Sidewalk	SY	98	\$28	\$2,744
<i>Subtotal</i>				\$33,614
<i>Sediment and Erosion Control</i>				
Material	Unit	Quantity	Unit Cost	Total
Soil Remediation 6' Depth	SY	144	\$1	\$144
Regrading	LS	1	\$1,000	\$1,000
Blanketing and Surface Roughening	SY	144	\$5	\$720
<i>Subtotal</i>				\$1,864
TOTAL				\$54,478
15% CONTINGENCY				\$8,172
GRAND TOTAL				\$62,650

1. Cost estimate excludes soft costs and contractor costs.
2. Depths of materials are assumed. Depths will be determined based on onsite soil conditions.

Johnson Reservoir Improvements

Structure 6

<i>COST ESTIMATE (Option B)</i>				
<i>Site Preparation</i>				
Material	Unit	Quantity	Unit Cost	Total
Mobilization	LS	1	\$7,000	\$7,000
Water Control and Dewatering	LS	1	\$10,000	\$10,000
Demolition	LS	1	\$2,000	\$2,000
Subtotal				\$19,000
<i>Outfall Materials</i>				
Material	Unit	Quantity	Unit Cost	Total
Reset 29"x72" FES	LS	1	\$1,000	\$1,000
Sheet Pile (15'x6')	SF	90	\$60	\$5,400
Type H Riprap	CY	30	\$140	\$4,200
Type M Riprap	CY	76	\$100	\$7,600
Geotextile	SY	144	\$15	\$2,160
Class 6 Road Base 2' Depth	SY	144	\$50	\$7,200
Fence	LF	50	\$20	\$1,000
Sidewalk	SY	98	\$28	\$2,744
Subtotal				\$31,304
<i>Sediment and Erosion Control</i>				
Material	Unit	Quantity	Unit Cost	Total
Soil Remediation 6' Depth	SY	144	\$1	\$144
Regrading	LS	1	\$1,000	\$1,000
Blanketing and Surface Roughening	SY	144	\$5	\$720
Subtotal				\$1,864
TOTAL				\$52,168
15% CONTINGENCY				\$7,825
GRAND TOTAL				\$59,993

1. Cost estimate excludes soft costs and contractor costs.
2. Depths of materials are assumed. Depths will be determined based on onsite soil conditions.



Johnson Reservoir Improvements

Structure 1

<i>COST ESTIMATE (Option A)</i>				
<i>Site Preparation</i>				
Material	Unit	Quantity	Unit Cost	Total
Mobilization	LS	1	\$7,000	\$7,000
Water Control and Dewatering	LS	1	\$10,000	\$10,000
Demolition	LS	1	\$2,000	\$2,000
<i>Subtotal</i>				\$19,000
<i>Outfall Materials</i>				
Material	Unit	Quantity	Unit Cost	Total
Reset 29"x45" FES	LS	1	\$800	\$800
Sheet Pile (13'x6')	SF	78	\$60	\$4,680
Type H Riprap	CY	22	\$140	\$3,080
Type M Riprap	CY	59	\$100	\$5,900
Flow Fill 1' Depth	SY	110	\$55	\$6,050
2' Boulder	LF	8	\$200	\$1,600
<i>Subtotal</i>				\$22,110
<i>Sediment and Erosion Control</i>				
Material	Unit	Quantity	Unit Cost	Total
Soil Remediation 6' Depth	SY	110	\$1	\$110
Regrading	LS	1	\$1,000	\$1,000
Blanketing and Surface Roughening	SY	110	\$5	\$550
<i>Subtotal</i>				\$1,660
TOTAL				\$42,770
15% CONTINGENCY				\$6,416
GRAND TOTAL				\$49,186

1. Cost estimate excludes soft costs and contractor costs.
2. Depths of materials are assumed. Depths will be determined based on onsite soil conditions.

Johnson Reservoir Improvements

Structure 1

<i>COST ESTIMATE (Option B)</i>				
<i>Site Preparation</i>				
Material	Unit	Quantity	Unit Cost	Total
Mobilization	LS	1	\$7,000	\$7,000
Water Control and Dewatering	LS	1	\$10,000	\$10,000
Demolition	LS	1	\$2,000	\$2,000
<i>Subtotal</i>				\$19,000
<i>Outfall Materials</i>				
Material	Unit	Quantity	Unit Cost	Total
Reset 29"x45" FES	LS	1	\$800	\$800
Sheet Pile (13'x6')	SF	78	\$60	\$4,680
Type H Riprap	CY	22	\$140	\$3,080
Type M Riprap	CY	59	\$100	\$5,900
Geotextile	SY	110	\$15	\$1,650
Class 6 Road Base 2' Depth	SY	110	\$50	\$5,500
<i>Subtotal</i>				\$21,610
<i>Sediment and Erosion Control</i>				
Material	Unit	Quantity	Unit Cost	Total
Soil Remediation 6' Depth	SY	110	\$1	\$110
Regrading	LS	1	\$1,000	\$1,000
Blanketing and Surface Roughening	SY	110	\$5	\$550
<i>Subtotal</i>				\$1,660
TOTAL				\$42,270
15% CONTINGENCY				\$6,341
GRAND TOTAL				\$48,611

1. Cost estimate excludes soft costs and contractor costs.
2. Depths of materials are assumed. Depths will be determined based on onsite soil conditions.