

## SECTION 14 METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228-1898  
Tel: 303-987-0835 800-741-3254  
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### **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: November 30, 2021

TIME: 1:00 p.m.

PLACE: Jordon Perlmutter & Co., 1601 Blake Street, Suite 600, Denver, Colorado 80217.

#### I. ADMINISTRATIVE MATTERS

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

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

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C. Review and approve Minutes of the October 4, 2021 Special Meeting (enclosure).

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D. Discuss business to be conducted in 2022 and location (**virtual and/or physical**) of meetings. Schedule regular meeting dates (suggested dates are June 27, 2022 and November 28, 2022 at 9:30 a.m.) and consider adoption of Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices (enclosure).

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#### 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. **CONSENT AGENDA** – These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board Member so requests, in which event, the item will be removed from the Consent Agenda and considered on the Regular Agenda.

- Discuss requirements of Section 32-1-809, C.R.S., and direct staff regarding compliance for 2022 (District Transparency Notice).
  - Ratify approval of Service Agreement for Stormwater Outfall and Vortech Maintenance between the District and Consolidated Divisions Inc. d/b/a CDI Environmental Contractor (enclosure).
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IV. **FINANCIAL MATTERS**

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

Fund	Period ending October 15, 2021
General	\$ 29,768.03
Debt	\$ -0-
Capital	\$ 4,121.00
<b>Total</b>	<b>\$ 33,889.03</b>

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B. Review and accept unaudited financial statements through the periods ending September 30, 2021 and October 31, 2021, and the schedule of cash position statement dated September 30, 2021 (enclosures).

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C. Consider engagement of Schilling & Company, Inc. for preparation of 2021 Audit in the amount of \$5,200 (enclosure).

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D. Conduct Public Hearing to consider amendment of the 2021 Budget. If necessary, consider adoption of Resolution to Amend the 2021 Budget and Appropriate Expenditures.

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E. Conduct Public Hearing on the proposed 2022 Budget and consider adoption of Resolution to Adopt the 2022 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies (enclosures – preliminary AVs, draft 2022 Budget, and Resolutions).

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- F. Authorize the District Accountant to prepare and sign the DLG-70 Certification of Tax Levies form for certification to the Board of County Commissioners and other interested parties.
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- G. Consider appointment of District Accountant to prepare the 2023 Budget and set budget hearing.
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V. LEGAL MATTERS

- A. Discuss and consider approval of reimbursement of Section 14 Development Company for previously advanced funds related to complete improvements.
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- B. Review and consider adoption of Resolution No. 2021-11-\_\_ Calling May 3, 2022 Election for Directors, appointing Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. Self-Nomination Forms are due by February 25, 2022 (enclosure). Discuss the need for ballot issues and/or questions.
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VI. CAPITAL PROJECTS

- A. Discuss status of the Outfall Structure Project.
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- B. Discuss status of the renovation of the monument signs for Bowles Village Shopping Center.
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VII. OTHER MATTERS

- A. \_\_\_\_\_
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VIII. ADJOURNMENT ***THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2021.***

Informational Enclosure:

- Memo regarding New Rate Structure from Special District Management Services, Inc.

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SECTION 14 METROPOLITAN DISTRICT HELD OCTOBER 4, 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 Monday, the 4<sup>th</sup> day of October, 2021, at 1:00 p.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 via Zoom. The meeting was open to the public via Zoom.

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#### ATTENDANCE

#### Directors In Attendance Were:

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

#### Also In Attendance Were:

Ann Finn; Special District Management Services, Inc.

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

Brad Gordon; Jordon Perlmutter & Co.

Terry Green; Foothills Park & Recreation District

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#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

**Disclosure of Potential Conflicts of Interest:** The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Finn noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney McGeady noted that Directors' Disclosure Statements have been filed for all Directors.

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## RECORD OF PROCEEDINGS

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### 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 Ernst, seconded by Director Toll and, upon vote, unanimously carried, the Agenda was approved, as presented.

**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 Zoom, 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 Zoom 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 June 28, 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 June 28, 2021 Special Meeting.

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### PUBLIC COMMENTS

There were no public comments at this time.

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### CONSENT AGENDA

The Board discussed and ratified approval of the following items:

- Amendment to Assignment of Commissioners Easement Deed between Chanson LLP, Foothills Park & Recreation District and the District.
- Cost Sharing and Reimbursement Agreement between the District, Foothills Park & Recreation District and Concordia on the Lake LLLP.
- Non-Exclusive Assignment of Commissioners Easement Deed between Chanson LLP and the District.
- Non-Exclusive Easement Agreement between Chanson LLP and the District.

## RECORD OF PROCEEDINGS

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- Second Amendment and Non-Exclusive Assignment of Easements under the Storm Drainage Agreement between Chanson LLP, Foothills Park & Recreation District and the District.

Following discussion, upon motion duly made by Director Toll, seconded by Director Jenkins and, upon vote unanimously carried, the Board ratified approval of the above items.

### FINANCIAL MATTERS

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

Fund	Period ending June 30, 2021	Period ending July 31, 2021	Special Check Jefferson County Treasurer	Period ending Aug. 31, 2021
General	\$ 22,506.39	\$ 34,141.46	\$ -0-	\$ 51,395.25
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 20,617.00	\$ 4,800.00	\$ 500.00	\$ 20,270.00
<b>Total</b>	<b>\$ 43,123.39</b>	<b>\$ 38,941.46</b>	<b>\$ 500.00</b>	<b>\$ 71,665.25</b>

Fund	Period ending Sept. 21, 2021
General	\$ 40,250.80
Debt	\$ -0-
Capital	\$ 1,364.88
<b>Total</b>	<b>\$ 41,615.68</b>

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

### LEGAL MATTERS

There were no legal matters to discuss.

### CAPITAL IMPROVEMENTS

**Chanson Plaza Storm Drainage Outfall Structure Improvement Project for Outfall Structure Nos. 1 and 6 (“Project”)**: Ms. Finn reported to the Board on the status of the Chanson Plaza Storm Drainage Improvements Project for Outfall Structure Nos. 1 and 6. She noted the bid opening was held September 23, 2021.

*Bid Tabulation:* Mr. Gordon reviewed the bid tabulation and recommended Edge Contracting, Inc. for \$142,779.00. Mr. Green noted he has worked with Edge Contracting, Inc. in the past and agrees with the recommendation.

## RECORD OF PROCEEDINGS

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Award Construction Contract: Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board awarded the contract to Edge Contracting, Inc.

Notice of Award and Notice to Proceed: Following discussion, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Ernst and, upon vote, unanimously carried, the Board authorized Mr. Gordon to issue a Notice of Award and a Notice to Proceed.

Approval of Construction Contract: Following review, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Ernst and, upon vote, unanimously carried, the Board authorized the Construction Contract between the District and Edge Contracting, Inc.

Schedule of Events: Ms. Finn reviewed the Schedule of Events for the Project with the Board.

**Operation and Maintenance Manual for Underground Stormwater Treatment Facilities and Outfalls From Storm Water Asset Protection LLC:** Ms. Finn noted the Maintenance Manual included in the meeting packet for the Board's review and information. No further discussion or action was taken at this time.

**Proposals for Stormwater Inspection and Maintenance Services:** The Board entered into discussion regarding the proposals for stormwater inspection and maintenance services. Ms. Finn noted Outfall No. 8 needs to be added to the scope of work.

Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Toll and, upon vote unanimously carried, the Board authorized Director Toll and Mr. Gordon to approve the revised proposal, subject to ratification by the Board.

**Renovation of the Monument Signs for Bowles Village Shopping Center:** Director Jonathan Perlmutter reported the estimated costs for the monument renovation project is \$30,000.00 for each monument (total \$60,000.00). He noted Jefferson County is requiring the grade of each monument be verified and that he is working with Brian Heinze to address these issues.

### **OTHER MATTERS**

The Board determined to move the budget hearing to November 30, 2021 at 1:00 P.M. at the offices of Jordon Perlmutter and Co., 1601 Blake Street, Suite 600, Denver, Colorado 80202.

## RECORD OF PROCEEDINGS

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### 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 at 1:25 P.M.

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting

**RESOLUTION NO. 2021-11-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SECTION 14 METROPOLITAN DISTRICT  
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND  
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.

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

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

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

F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

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

1. That the provisions of Section 32-1-903(1.5), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting meetings at a physical location pursuant to Section 32-1-903(1.5), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2022 shall be held on June 27, 2022 and November 28, 2022 at 9:30 a.m., at Jordon Perlmutter & Co., 1601 Blake Street, Suite 600, Denver, Colorado 80217.

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

5. That, until circumstances change, and a future resolution of the District Board so designates, the physical location and/or method or procedure for attending meetings of the District Board virtually (including the conference number or link) shall appear on the agenda(s) of said meetings.

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

7. That the District has established the following District Website, <https://section14md.colorado.gov/>, and the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to meetings pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

8. That, if the District is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) Bowles Village Shopping Center, 7421 W. Bowles Ave., Littleton, CO 80123

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

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

RESOLUTION APPROVED AND ADOPTED on November 30, 2021.

**SECTION 14 METROPOLITAN DISTRICT**

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

**SERVICE AGREEMENT FOR  
STORMWATER OUTFALL AND VORTECH MAINTENANCE**

**THIS SERVICE AGREEMENT FOR STORMWATER OUTFALL AND VORTECH MAINTENANCE (“Agreement”)** is entered into and effective as of the 4<sup>th</sup> day of October, 2021, by and between **SECTION 14 METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **CONSOLIDATED DIVISIONS INC. d/b/a CDI ENVIRONMENTAL CONTRACTOR**, a Colorado corporation (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

**RECITALS**

A. The District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities and improvements in accordance with its service plan.

B. Pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District.

C. The Consultant has experience in providing the services, as set forth in **Exhibit A** hereto, attached and incorporated herein (the “**Services**”), and is willing to provide such Services to the District for reasonable consideration.

D. The Parties desire to enter into this Agreement to establish the terms by which the Consultant will provide the Services to the District.

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:

**I. CONSULTANT DUTIES AND AUTHORITY**

1.1 Duties of Consultant. The Consultant shall:

(a) Perform the Services, safely and in accordance with the highest standard of care, skill, and diligence provided by a professional consultant in performance of work similar to the Services.

(b) Be properly qualified to perform the Services. The Consultant does hereby warrant that the quality of the Services shall be as specified in this Agreement, shall conform in all respects to the requirements of this Agreement and shall be free of defects and deficiencies.

(c) Take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required under Section 4.2 hereof.

(d) Advise the District of the status of the Services required by this Agreement on a regular basis and work in coordination with the District's consultants to assure that the District has the most complete information available for the exercise of the District's powers and discretionary authority.

(e) Refrain from entering into any contract, oral or written, in the name of the District, and from incurring any debt, liability or obligation for or on behalf of the District. All obligations incurred by the Consultant shall be obligations of the Consultant and the Consultant shall hold the District harmless therefrom.

## 1.2 Limitations on Authority.

(a) The Consultant shall have no right or authority, expressed or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement or specifically authorized or ratified by the board of directors of the District as reflected in the minutes of the District board meetings. The Consultant shall at all times conform to the stated policies established and approved by the District.

(b) Independent Contractor Status. The Consultant is an independent contractor, as provided in Section 8-40-202(2)(b)(I)-(IV), C.R.S., as amended, and nothing herein contained shall constitute or designate the Consultant or any of its employees, agents, subcontractors or suppliers as employees of the District. The Services to be performed by the Consultant shall be at its sole cost, risk and expense, and no part of the cost thereof shall be charged to the District, except the payments to be made by the District to the Consultant for the Services performed as provided herein. The District shall not be responsible for the Consultant's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. **The Consultant is not entitled to workers' compensation benefits and the Consultant is obligated to pay federal and state income taxes on moneys earned pursuant to this Agreement.**

1.3 Compliance with Applicable Law. The Consultant shall provide the Services set forth herein in full compliance with all applicable laws, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction over the activities of the District.

1.4 No Right or Interest in District Assets. The Consultant shall have no right or interest in any of the District's assets, nor any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated herein.

1.5 Certification of Compliance with Illegal Alien Statute. By its execution hereof, the Consultant confirms and ratifies all of the certifications, statements, representations and warranties set forth in **Exhibit C** attached hereto and made a part hereof by this reference.

1.6 Work Product. "**Work Product**" shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain

reproducible copies of any test results and logs which it obtains and shall make them available for the District's use, and shall provide such copies to the District upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the District. If requested by the District, Consultant shall execute and deliver such documents as shall be necessary in the District's sole discretion, to assign, transfer and convey all rights in the Work Product to the District or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the District its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the District immediately upon termination of this Agreement.

## II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto, unless otherwise approved in advance by the District through a written change order in form substantially as attached hereto as **Exhibit D** ("Change Order").

2.2 Monthly Invoices and Payments. The Consultant shall submit to the District a monthly invoice, in a form acceptable to the District. Invoices shall be submitted and paid no more frequently than once a month.

2.3 Expenses. The Consultant is responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as set forth in **Exhibit B**, unless otherwise approved in advance by the District in writing.

2.4 Subject to Annual Budget and Appropriation; District Debt. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds is subject to annual budgeting and appropriation. Nothing herein constitutes or creates an indebtedness or debt of the District within the meaning of any Colorado constitutional provision or statutory limitation.

## III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on satisfactory completion of the Services. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

3.2 Termination. The District may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Consultant at least thirty (30) days prior to the effective date of such termination. The Consultant may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the District at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

The District shall pay the Consultant for all Services satisfactorily performed through the termination date.

#### IV. INDEMNIFICATION AND INSURANCE

4.1 Indemnification. The Consultant hereby agrees to indemnify, defend and hold the District and its affiliated entities or other persons or entities designated by the District, and their respective directors, trustees, officers, members, managers, agents and employees (collectively, the “**Indemnitees**”), harmless from any and all liability for damage, including, but not limited to, the reimbursement of attorneys’ fees and costs, arising out of death or bodily injury to persons or damage to property, in such amount that is represented by the degree or percentage of negligence or fault attributable to the Consultant and/or its agents, representatives, subcontractors, or suppliers.

4.2 Insurance Requirements. The Consultant shall procure, at its sole cost and expense, the insurance coverages set forth below, which insurance shall be placed with insurance companies rated at least “A:XIII” by A.M. Best Company. The Consultant shall give notice to the District at least thirty (30) days prior to the cancellation or nonrenewal of such policies. The Consultant shall give notice to the District within five (5) business days, or as soon as practicable, of any modification of any such policies. Consultant’s cost of maintaining the insurances required hereunder shall not be considered a reimbursable expense of the Consultant. The Consultant shall, upon request, promptly furnish the District with copies of policies obtained pursuant to this Section 4.2. Prior to commencing the Services, the Consultant shall furnish the District with certificates evidencing such insurance and provided further, however, with respect to the Workers’ Compensation Insurance required below, the Consultant must furnish to the District, prior to the commencement of any Services, duly executed and validated forms as prescribed by the state authority having jurisdiction evidencing that such insurance is in full force and effect. The District shall not pay any invoices until Consultant provides the certificates evidencing such insurance and Workers’ Compensation coverage.

(a) Liability Insurance Coverage.

(i) Workers’ Compensation Insurance. A Workers’ Compensation Insurance Policy in form and substance reasonably acceptable to the District and in an amount not less than the statutory benefits, including Employer’s Liability Insurance with limits of liability of not less than (i) \$500,000 for bodily injury by accident, each accident; (ii) \$500,000 for bodily injury by disease, each employee; and (iii) \$500,000 aggregate liability for disease. The Workers’ Compensation Insurance Policy, or an endorsement to such policy, must include a waiver of subrogation in favor of the District.

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the District, which policy shall include, without limitation, the District as an additional insured, a waiver of subrogation endorsement in favor of the District, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the

insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the District, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the District; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

(iii) Automobile Liability Insurance. An Automobile Liability Insurance Policy written on a per accident basis, in form and substance reasonably acceptable to the District. The Automobile Liability Insurance Policy must provide coverage for all owned, hired, rented and nonowned automobiles, and must include uninsured motorist coverages. The Automobile Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each accident for bodily injury and/or property damage.

(iv) Excess Liability Insurance. An Excess Liability Insurance Policy written in excess of the coverages provided by the insurance policies described in the preceding Subsections 4.2(a)(i) - (iii), in form and substance reasonably acceptable to the District, which policy will include the District as additional insured. The Excess Liability Insurance Policy must be written with a combined single limit of not less than \$1,000,000 for each occurrence of bodily injury/or property damage and annual aggregate.

(b) Failure to Obtain and Obligation to Maintain Insurance. If the Consultant fails to furnish and maintain insurance as required by this Section 4.2, the District may purchase such insurance on behalf of the Consultant and deduct the cost of such insurance premium(s) from the compensation otherwise owed to the Consultant, and the Consultant shall furnish to the District any information needed to obtain such insurance. Except as otherwise expressly provided herein, all insurance policies required by the terms of this section shall be kept in full force and effect until the date of final payment to the Consultant for the Services specified in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the foregoing insurance requirements are in no way intended to, and will not in any manner, limit or qualify the liabilities and/or indemnities assumed by the Consultant under or pursuant to this Agreement.

(c) Effect of Approval or Acceptance of Insurance. District acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

## V. MISCELLANEOUS

5.1 Assignment. The Consultant shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and of no effect.

5.2 Modification; Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Consultant unless the same is in writing and duly executed by the Parties.

5.3 Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

5.4 Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

5.5 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for Jefferson County, Colorado.

5.6 Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

5.7 Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Consultant any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Consultant shall be for the sole and exclusive benefit of the District and the Consultant.

5.8 Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via FedEx or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District:	Section 14 Metropolitan District c/o Special District Management Services, Inc. 141 Union Boulevard, Suite 150 Lakewood, CO 80228 Phone: (303) 987-0835 Email: <a href="mailto:afinn@sdmsi.com">afinn@sdmsi.com</a> Attn: Ann Finn
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With a Copy To: McGeady Becher P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203  
Phone: (303) 592-4380  
Email: legalnotices@specialdistrictlaw.com

To Consultant: Consolidated Divisions, Inc. d/b/a CDI Environmental  
Contractors  
5585 W. Airport Road  
Sedalia, CO 80135  
Phone: (303) 471-1522  
Email: jamies@cdi-services.com  
Attn: Jamie Salisbury

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with FedEx or other nationally recognized overnight air courier service, upon electronic confirmation of email transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

5.9 Default/Remedies. If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Agreement, and if such failure of performance continues for a period of thirty (30) days following written notice of default from the other Party (or such additional period of time as may reasonably be required to cure such default; provided that the curative action is commenced within such thirty (30) day period and is diligently and continuously pursued to completion), then the non-defaulting Party, at its option, may elect (i) to treat this Agreement as remaining in full force and effect; or (ii) terminate this Agreement as of any specified date. The non-defaulting Party shall additionally be entitled to exercise all remedies available at law or in equity. In the event of any litigation or other proceeding to enforce the terms, covenants or conditions hereof, the non-defaulting Party in any such litigation or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.10 Instruments of Further Assurance. Each Party covenants it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

5.12 Non-Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. Notwithstanding any provision to the contrary in this Agreement, no term or condition of this Agreement shall be construed or interpreted as a waiver, either expressed or implied, of any of the immunities, rights, benefits or protection provided to the District under the Colorado Governmental Immunity Act.

5.13 Inurement. This Agreement shall inure to and be binding on the heirs, executors, administrator, successors, and permitted assigns of the Parties hereto.

5.14 Counterparts. This Agreement 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.

5.15 Conflicts. If any term or provision(s) in any Exhibit attached as part of this Agreement conflicts with any term or provision(s) in the body of this Agreement, the term or provision(s) contained in the body of this Agreement shall control.

**[SIGNATURE PAGES FOLLOW]**

**[SIGNATURE PAGE 1 OF 2 TO SERVICE AGREEMENT FOR  
STORMWATER OUTFALL AND VORTECH MAINTENANCE]**

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

Consultant:  
**CONSOLIDATED DIVISIONS, INC.  
D/B/A CDI ENVIRONMENTAL  
CONTRACTORS**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, as \_\_\_\_\_ of Consolidated Divisions, Inc. d/b/a CDI Environmental Contractors.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public



## **EXHIBIT A SCOPE OF SERVICES**

- Cleaning outfall areas 5,1a,4,7 and 8 and 2 and Vortechs 1,2,3,4 and 5, as identified on the map below.
- All work to be completed from surface and does not include confined space entry.
- Services do not include replacement of concrete, asphalt, inlets, grates, manhole lids or structures or landscape or irrigation.
- No erosion control plans or permits are included within this Scope of Services. Erosion control items included within the Scope are limited to: 1) Erosion log around the limit of disturbance for each of the clean up areas for outfall work and 2) Seed and blanket repairs for work above existing standard.
- Seed and blanket to reclaim any disturbed activities from maintenance work. Services do not include a soil test, or soil amendments.
- The time for the outfall work included utilizing the hydrovac unit to jet any debris from inside the pipe. This work is limited to the limited reach of the wand from outside of the outlet structure.
- Services do not include vehicle traffic control. Pedestrian traffic control around work areas by use of barriers and personnel has been included in the Scope. A traffic control permit and a formal traffic control plan will NOT be required by Foothills Park and Recreation.
- The work is not subject to retention.



## EXHIBIT B COMPENSATION

### Pre-Construction Parks Coordination And Public Information

1	T&M Erosion Control Superintendent	3.00 HR	\$65.00	\$195.00
<b>Total Price for above Pre-Construction Parks Coordination And Public Information Items:</b>				<b>\$195.00</b>

### Selective Vegetation Removal For Manhole Access

2	T&M Foreman	1.00 HR	\$50.00	\$50.00
3	T&M Labor	3.00 HR	\$39.00	\$117.00
<b>Total Price for above Selective Vegetation Removal For Manhole Access Items:</b>				<b>\$167.00</b>

### Outfall Work

4	T&M Erosion Control Superintendent	20.00 HR	\$65.00	\$1,300.00
5	T&M Foreman	50.00 HR	\$50.00	\$2,500.00
6	T&M Labor	150.00 HR	\$39.00	\$5,850.00
7	T&M Pick Up	8.00 DY	\$200.00	\$1,600.00
8	T&M Trailer	7.00 DY	\$170.00	\$1,190.00
9	T&M Skidsteer	4.00 DY	\$360.00	\$1,440.00
10	T&M Mini Excavator	4.00 DY	\$430.00	\$1,720.00
11	T&M Vac Trailer (500 Gal)	2.00 DY	\$1,300.00	\$2,600.00
12	Landfill Trips (3 Ton Max Load)	11.00 EACH	\$425.00	\$4,675.00
13	Pedestrian Traffic Control And Erosion Control And Restoration (Seed And Blanket) Materials.	1.00 LS	\$2,800.00	\$2,800.00
19	Rip-Rap Outfall 8	20.00 TON	\$81.90	\$1,638.00
<b>Total Price for above Outfall Work Items:</b>				<b>\$27,313.00</b>

### Vortechs Work

14	T&M Erosion Control Superintendent	10.00 HR	\$65.00	\$650.00
15	T&M Foreman	20.00 HR	\$50.00	\$1,000.00
16	T&M Labor	60.00 HR	\$39.00	\$2,340.00
17	T&M Pick Up	4.00 DY	\$200.00	\$800.00
18	Landfill Trips (3 Ton Max Load)	2.00 EACH	\$425.00	\$850.00
<b>Total Price for above Vortechs Work Items:</b>				<b>\$5,640.00</b>

### Shared Maintenance Areas

14	T&M Erosion Control Superintendent	4.00 HR	\$65.00	\$260.00
15	T&M Foreman	16.00 HR	\$50.00	\$800.00
6	T&M Labor	48.00 HR	\$39.00	\$1,872.00
17	T&M Pick Up	2.00 DY	\$200.00	\$400.00
8	T&M Trailer	2.00 DY	\$170.00	\$340.00
18	Landfill Trips (3 Ton Max Load)	2.00 EACH	\$425.00	\$850.00
<b>Total Price for above Shared Maintenance Areas Items:</b>				<b>\$4,522.00</b>

## **TOTAL PRICE: \$37,837.00**

- This price is based on estimated quantities only. Final field measurements will apply at the above unit pricing.
- This price does not include engineering, permits or testing. A site access permit will be required at a cost of approximately \$100.00 by Foothills Parks and Recreation, and this will be passed through to the owner at time of billing.

- Materials will be billed at cost plus 30%.
- Price is based on a 40 hour work week. If schedule is escalated/compressed, requiring the Consultant to work overtime, an additional 50% surcharge will apply to the hourly labor rates.
- Any fees for billing or project management platforms such as Textura are not included in the Scope and will be billed as an additional cost to the project.

**EXHIBIT C**  
**CERTIFICATION OF CONSULTANT**

1. Pursuant to the requirements of Section 8-17.5-102(1), C.R.S., the Consultant hereby certifies to the District that the Consultant does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that it will participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of the Consultant who are newly hired to perform work under the Agreement.

2. In accordance with Section 8-17.5-102(2)(a), C.R.S., the Consultant shall not:

(a) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or

(b) Enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

3. The Consultant represents and warrants it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

4. The Consultant is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

5. If the Consultant obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Consultant shall:

(a) Notify the subcontractor and the District within three (3) days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

6. The Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment (“**Department**”) made in the course of an investigation that the Department is undertaking, pursuant to the law.

7. If the Consultant violates any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Agreement immediately and the Consultant shall be liable to the District for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Consultant to the Colorado Secretary of State, as required by law.

**EXHIBIT D**  
**FORM OF CHANGE ORDER**

<b>Change Order No:</b>	<b>Date Issued:</b>
<b>Name of Agreement:</b>	
<b>Date of Agreement:</b>	<b>District(s):</b>
<b>Other Party/Parties:</b>	

**CHANGE IN SCOPE OF SERVICES (describe):**

<b>CHANGE IN AGREEMENT PRICE:</b>	<b>CHANGE IN TERM OF AGREEMENT:</b>
Original Price: \$ _____	Original Term: Expires _____, 20__
Increase of this Change Order: \$ _____	New Term: Expires _____, 20__
Price with all Approved Change Orders: \$ _____	Agreement Time with all Approved Change Orders:

<b>APPROVED:</b>	
By:	
	<b>District</b>

<b>APPROVED:</b>	
By:	
	<b>Consultant</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Void/M
<b>4300</b>							
10/15/2021	Bowles Village Center	10/2021	Landscape Maintenance	1-786	1,916.00	1,916.00	
10/15/2021	Bowles Village Center	10/2021	Utilities	1-710	1,137.00	1,137.00	
Total 4300:						<u>3,053.00</u>	
<b>4301</b>							
10/15/2021	Chanson, LLC	10/2021	Landscape Maintenance	1-786	5,233.00	5,233.00	
10/15/2021	Chanson, LLC	10/2021	Utilities	1-710	4,694.00	4,694.00	
Total 4301:						<u>9,927.00</u>	
<b>4302</b>							
10/15/2021	Colorado Special District P&L	POL-0007167	Prepays	1-125	450.00	450.00	
Total 4302:						<u>450.00</u>	
<b>4303</b>							
10/15/2021	McGeady Becher P.C.	198M 08/2021	Legal	1-675	2,847.00	2,847.00	
10/15/2021	McGeady Becher P.C.	198M 08/2021	Legal	3-675	3,185.00	3,185.00	
Total 4303:						<u>6,032.00</u>	
<b>4304</b>							
10/15/2021	Section 14 Development Company	10/2021	Landscape Maintenance	1-786	1,987.00	1,987.00	
10/15/2021	Section 14 Development Company	10/2021	Utilities	1-710	3,517.00	3,517.00	
Total 4304:						<u>5,504.00</u>	
<b>4305</b>							
10/15/2021	Special District Management Servic	09/2021	Accounting	1-613	686.00	686.00	
10/15/2021	Special District Management Servic	09/2021	District Management	1-614	2,420.94	2,420.94	
10/15/2021	Special District Management Servic	09/2021	Management	3-614	936.00	936.00	
Total 4305:						<u>4,042.94</u>	
<b>20211001</b>							
10/15/2021	Denver Water	5256 10/21	Utilities	1-710	2,258.29	2,258.29	M
Total 20211001:						<u>2,258.29</u>	
<b>20211002</b>							
10/15/2021	Denver Water	5392 10/21	Utilities	1-710	595.34	595.34	M
Total 20211002:						<u>595.34</u>	
<b>20211003</b>							
10/15/2021	Denver Water	5261 10/21	Utilities	1-710	2,026.46	2,026.46	M
Total 20211003:						<u>2,026.46</u>	
Grand Totals:						<u><u>33,889.03</u></u>	

Section 14 Metropolitan District

October-21

	General	Debt	Capital	Totals
Disbursements	\$ 29,768.03		\$ 4,121.00	\$ 33,889.03
Payroll				\$ -
Payroll Taxes (Annually)	\$ -			\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$ 29,768.03</b>	<b>\$ -</b>	<b>\$ 4,121.00</b>	<b>\$ 33,889.03</b>

**SECTION 14 METROPOLITAN DISTRICT**  
**Schedule of Cash Position**  
**September 30, 2021**

	<b>Rate</b>	<b>Operating</b>	<b>Capital Projects</b>	<b>Total</b>
<b>Checking:</b>				
Cash in Bank-US Bank		\$ 78,239.65	\$ (48,685.88)	\$ 29,553.77
<b>Investments:</b>				
Cash in Bank-ColoTrust	0.0182%	2,409,527.59	-	2,409,527.59
<b>TOTAL FUNDS:</b>		<b>\$ 2,487,767.24</b>	<b>\$ (48,685.88)</b>	<b>\$ 2,439,081.36</b>

**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	20.128

**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**  
**September 30, 2021**

SECTION 14 METROPOLITAN DISTRICT  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 September 30, 2021

	GENERAL	CAPITAL PROJECTS	FIXED ASSETS	TOTAL
<b>Assets</b>				
Cash in Bank-US Bank	\$ 78,240	\$ (48,686)	\$ -	\$ 29,554
Cash in Bank-ColoTrust	2,409,528	-	-	2,409,528
Property Taxes Receivable	5,203	-	-	5,203
<b>Total Current Assets</b>	<u>2,492,970</u>	<u>(48,686)</u>	<u>-</u>	<u>2,444,284</u>
<b>Capital Assets</b>				
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	-	-	(369,464)	(369,464)
<b>Total Capital Assets</b>	<u>-</u>	<u>-</u>	<u>247,078</u>	<u>247,078</u>
<b>Total Assets</b>	<u>\$ 2,492,970</u>	<u>\$ (48,686)</u>	<u>\$ 247,078</u>	<u>\$ 2,691,363</u>
<b>Liabilities</b>				
Payroll Taxes Payable	\$ 230	\$ -	\$ -	\$ 230
<b>Total Liabilities</b>	<u>230</u>	<u>-</u>	<u>-</u>	<u>230</u>
<b>Deferred Inflows of Resources</b>				
Deferred Property Taxes	5,203	-	-	5,203
<b>Total Deferred Inflows of Resources</b>	<u>5,203</u>	<u>-</u>	<u>-</u>	<u>5,203</u>
<b>Fund Balance</b>				
Investment in Fixed Assets	-	-	247,078	247,078
Fund Balance	1,629,921	-	-	1,629,921
Current Year Earnings	857,616	(48,686)	-	808,930
<b>Total Fund Balances</b>	<u>2,487,538</u>	<u>(48,686)</u>	<u>247,078</u>	<u>2,685,930</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 2,492,970</u>	<u>\$ (48,686)</u>	<u>\$ 247,078</u>	<u>\$ 2,691,363</u>

**SECTION 14 METROPOLITAN DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the 9 Months Ending**  
**September 30, 2021**  
**General Fund**

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) variance	% of Budget
<b>Revenues</b>					
Property Taxes - Denver	\$ 35	\$ 221,628	\$ 225,321	\$ (3,693)	98.4%
Property Taxes - Jeff. Cty.	208,384	867,342	872,318	(4,976)	99.4%
Specific Ownership Taxes	20,913	52,544	55,000	(2,456)	95.5%
Interest Income	162	780	5,000	(4,220)	15.6%
<b>Total Revenues</b>	<u>229,494</u>	<u>1,142,293</u>	<u>1,157,639</u>	<u>(15,346)</u>	<u>98.7%</u>
<b>Expenditures</b>					
Accounting	3,066	7,590	12,000	4,410	63.3%
District Management	4,108	12,962	14,000	1,038	92.6%
Audit	-	5,200	6,000	800	86.7%
Director's Fees	500	1,500	2,300	800	65.2%
Dues & Subscriptions	-	850	-	(850)	-
Insurance	-	5,811	7,800	1,989	74.5%
Legal	8,703	21,335	30,000	8,665	71.1%
Legal Publications	-	-	100	100	0.0%
Miscellaneous Expenses	51	150	1,000	850	15.0%
C&C of Denver Annual Fee	3,000	3,000	3,000	-	100.0%
Payroll Taxes	38	115	176	61	65.2%
Treasurer's Fees	3,161	15,261	16,465	1,204	92.7%
Utilities	43,225	66,801	110,000	43,199	60.7%
Landscape Maintenance	57,420	89,457	115,000	25,543	77.8%
Oper. & Maint. Detention Ponds	4,670	7,175	-	(7,175)	-
Contingency	-	7,940	85,000	77,060	9.3%
<b>Total Expenditures</b>	<u>127,942</u>	<u>245,147</u>	<u>402,841</u>	<u>157,694</u>	<u>60.9%</u>
Excess (Deficiency) of Revenues Over Expenditures	101,552	897,147	754,798	142,349	
<b>Transfers and Other (Sources) Uses</b>					
Transfer to Capital	-	39,531	425,000	385,470	
Emergency Reserves	-	-	34,729	34,729	
<b>Total Transfers and Other (Sources) Uses</b>	<u>-</u>	<u>39,531</u>	<u>459,729</u>	<u>420,199</u>	
Change in Fund Balance	101,552	857,616	295,069	562,547	
Beginning Fund Balance	2,385,986	1,629,921	1,617,911	12,010	
<b>Ending Fund Balance</b>	<u>\$ 2,487,538</u>	<u>\$ 2,487,538</u>	<u>\$ 1,912,980</u>	<u>\$ 574,558</u>	

**SECTION 14 METROPOLITAN DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the 9 Months Ending**  
**September 30, 2021**  
**Capital Projects Fund**

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) variance	% of Budget
<b>Revenues</b>					
Transfer from General Fund	\$ -	39,531	425,000	(385,470)	9.3%
<b>Total Revenues</b>	<u>-</u>	<u>39,531</u>	<u>425,000</u>	<u>(385,470)</u>	<u>9.3%</u>
<b>Expenditures</b>					
Management	3,453	11,013	15,000	3,987	73.4%
Legal	10,516	46,004	50,000	3,997	92.0%
Storm Drainage Improvements	-	-	200,000	200,000	0.0%
Engineering	31,200	31,200	60,000	28,800	52.0%
Outfall Structure No. 1	(8,350)	-	-	-	-
Outfall Structure No. 6	(8,750)	-	-	-	-
Miscellaneous	-	-	-	-	0.0%
Contingency	-	-	100,000	100,000	0.0%
<b>Total Expenditures</b>	<u>28,069</u>	<u>88,216</u>	<u>425,000</u>	<u>336,784</u>	<u>20.8%</u>
Excess (Deficiency) of Revenues Over Expenditures	(28,069)	(48,686)	-	(48,686)	
Beginning Fund Balance	(20,617)	-	418	(418)	
<b>Ending Fund Balance</b>	<u>\$ (48,686)</u>	<u>\$ (48,686)</u>	<u>\$ 418</u>	<u>\$ (49,104)</u>	

**SECTION 14 METROPOLITAN DISTRICT**  
**FINANCIAL STATEMENTS**  
**October 31, 2021**

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

	GENERAL	CAPITAL PROJECTS	FIXED ASSETS	TOTAL
<b>Assets</b>				
Cash in Bank-US Bank	\$ 33,445	\$ -	\$ -	\$ 33,445
Cash in Bank-ColoTrust	2,383,459	-	-	2,383,459
Property Taxes Receivable	4,599	-	-	4,599
Prepays	450	-	-	450
<b>Total Current Assets</b>	<u>2,421,952</u>	<u>-</u>	<u>-</u>	<u>2,421,952</u>
<b>Capital Assets</b>				
Monument signs	-	-	146,017	146,017
Contributed signs	-	-	145,852	145,852
Streets	-	-	157,386	157,386
Chanson Signs	-	-	61,960	61,960
Bellevue Shores Signs	-	-	105,327	105,327
Accumulated Depreciation	-	-	(369,464)	(369,464)
<b>Total Capital Assets</b>	<u>-</u>	<u>-</u>	<u>247,078</u>	<u>247,078</u>
<b>Total Assets</b>	<u>\$ 2,421,952</u>	<u>\$ -</u>	<u>\$ 247,078</u>	<u>\$ 2,669,031</u>
<b>Liabilities</b>				
Payroll Taxes Payable	\$ 230	\$ -	\$ -	\$ 230
<b>Total Liabilities</b>	<u>230</u>	<u>-</u>	<u>-</u>	<u>230</u>
<b>Deferred Inflows of Resources</b>				
Deferred Property Taxes	4,599	-	-	4,599
<b>Total Deferred Inflows of Resources</b>	<u>4,599</u>	<u>-</u>	<u>-</u>	<u>4,599</u>
<b>Fund Balance</b>				
Investment in Fixed Assets	-	-	247,078	247,078
Fund Balance	1,629,921	-	-	1,629,921
Current Year Earnings	787,202	-	-	787,202
<b>Total Fund Balances</b>	<u>2,417,124</u>	<u>-</u>	<u>247,078</u>	<u>2,664,202</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 2,421,952</u>	<u>\$ -</u>	<u>\$ 247,078</u>	<u>\$ 2,669,031</u>

**SECTION 14 METROPOLITAN DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the 10 Months Ending**  
**October 31, 2021**  
**General Fund**

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) variance	% of Budget
<b>Revenues</b>					
Property Taxes - Denver	\$ 35	\$ 221,628	\$ 225,321	\$ (3,693)	98.4%
Property Taxes - Jeff. Cty.	208,384	867,946	872,318	(4,372)	99.5%
Specific Ownership Taxes	20,913	59,846	55,000	4,846	108.8%
Interest Income	162	814	5,000	(4,186)	16.3%
<b>Total Revenues</b>	<u>229,494</u>	<u>1,150,234</u>	<u>1,157,639</u>	<u>(7,405)</u>	<u>99.4%</u>
<b>Expenditures</b>					
Accounting	3,066	8,276	12,000	3,724	69.0%
District Management	4,108	15,383	14,000	(1,383)	109.9%
Audit	-	5,200	6,000	800	86.7%
Director's Fees	500	1,500	2,300	800	65.2%
Dues & Subscriptions	-	850	-	(850)	-
Insurance	-	5,811	7,800	1,989	74.5%
Legal	8,703	24,182	30,000	5,818	80.6%
Legal Publications	-	-	100	100	0.0%
Miscellaneous Expenses	51	167	1,000	833	16.7%
C&C of Denver Annual Fee	3,000	3,000	3,000	-	100.0%
Payroll Taxes	38	115	176	61	65.2%
Treasurer's Fees	3,161	15,270	16,465	1,195	92.7%
Utilities	43,225	81,029	110,000	28,971	73.7%
Landscape Maintenance	57,420	98,593	115,000	16,407	85.7%
Oper. & Maint. Detention Ponds	873	3,378	-	(3,378)	-
Contingency	-	7,940	85,000	77,060	9.3%
<b>Total Expenditures</b>	<u>124,145</u>	<u>270,694</u>	<u>402,841</u>	<u>132,147</u>	<u>67.2%</u>
Excess (Deficiency) of Revenues Over Expenditures	105,349	879,540	754,798	124,742	
<b>Transfers and Other (Sources) Uses</b>					
Transfer to Capital	-	92,337	425,000	332,663	
Emergency Reserves	-	-	34,729	34,729	
<b>Total Transfers and Other (Sources) Uses</b>	<u>-</u>	<u>92,337</u>	<u>459,729</u>	<u>367,392</u>	
Change in Fund Balance	105,349	787,202	295,069	492,133	
Beginning Fund Balance	2,311,775	1,629,921	1,617,911	12,010	
<b>Ending Fund Balance</b>	<u>\$ 2,417,124</u>	<u>\$ 2,417,124</u>	<u>\$ 1,912,980</u>	<u>\$ 504,144</u>	

**SECTION 14 METROPOLITAN DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the 10 Months Ending**  
**October 31, 2021**  
**Capital Projects Fund**

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) variance	% of Budget
<b>Revenues</b>					
Transfer from General Fund	\$ -	92,337	425,000	(332,663)	21.7%
<b>Total Revenues</b>	<u>-</u>	<u>92,337</u>	<u>425,000</u>	<u>(332,663)</u>	<u>21.7%</u>
<b>Expenditures</b>					
Management	3,453	11,949	15,000	3,051	79.7%
Legal	10,516	49,189	50,000	812	98.4%
Storm Drainage Improvements	-	-	200,000	200,000	0.0%
Engineering	14,100	31,200	60,000	28,800	52.0%
Miscellaneous	-	-	-	-	0.0%
Contingency	-	-	100,000	100,000	0.0%
<b>Total Expenditures</b>	<u>28,069</u>	<u>92,337</u>	<u>425,000</u>	<u>332,663</u>	<u>21.7%</u>
Excess (Deficiency) of Revenues Over Expenditures	(28,069)	-	-	-	
Beginning Fund Balance	28,069	-	418	(418)	
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 418</u>	<u>\$ (418)</u>	



# SCHILLING & COMPANY, INC.

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086  
FAX: 720.348.2920

November 16, 2021

Board of Directors  
Section 14 Metropolitan District  
c/o Special District Management Services, Inc.  
141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228

Board of Directors:

We are pleased to confirm our understanding of the services we are to provide Section 14 Metropolitan District for the year ended December 31, 2021.

### **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, each major fund, and the disclosures, which collectively comprise the basic financial statements of Section 14 Metropolitan District as of and for the year ended December 31, 2021. Accounting standards generally accepted in the United States of America (GAAS) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Section 14 Metropolitan District's basic financial statements. Such 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. As part of our engagement, we will apply certain limited procedures to the Section 14 Metropolitan District's RSI, if presented, in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The RSI, as listed in the table of contents of the basic financial statements, is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited.

We have also been engaged to report on supplementary information, if presented, other than RSI that accompanies the Section 14 Metropolitan District's financial statements. We will subject the supplementary information, as listed in the table of contents of the basic financial statements, to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and

liabilities by correspondence with selected individuals, funding sources, customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

#### **Audit Procedures—Internal Control**

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

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Section 14 Metropolitan District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

#### **Other Services**

We will also prepare the financial statements of Section 14 Metropolitan District in conformity with U.S. generally accepted accounting principles based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

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

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

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

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

With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Schilling & Company, Inc., will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

With regard to an exempt offering document with which Schilling & Company, Inc. is not involved, you agree to clearly indicate in the exempt offering document that Schilling & Company, Inc. is not involved with the contents of such offering document.

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

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a

means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant those emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

#### **Engagement Administration, Fees, and Other**

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

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

Neil Schilling is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit in May/June 2022 and to issue our reports no later than July 31, 2022.

Our fee for these services will be \$5,200, which includes the preparation of the basic financial statements and related footnote disclosures, unless matters arise as discussed below. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Any calculations performed in connection with the District's TABOR compliance will be billed at our standard hourly rate of \$185.

### **Reporting**

We will issue a written report upon completion of our audit of the Section 14 Metropolitan District's financial statements which may also address other information in accordance with AU-C 720, The Auditor's Responsibilities Relating to Other Information Included in Annual Reports. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express our opinions or withdraw from this engagement.

In accordance with C.R.S. § 8-17.5-101, *et seq.*, the Company hereby certifies to the District that:

The Company hereby states to the Section 14 Metropolitan District that the Company does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that it will participate in the E-Verify Program or Department Program (as defined in §8-17.5-101 C.R.S.) in order to confirm the employment eligibility of all employees of the Company who are newly hired to perform work under the Agreement.

In accordance with §8-17.5-102 C.R.S., the Company shall not:

- (a) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or
- (b) Enter into a contract with a subcontractor that fails to certify to the Company that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

The Company represents and warrants it has confirmed the employment eligibility of all of its employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

The Company is prohibited from using the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

If the Company obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Company shall:

- (a) Notify the subcontractor and the District within three days that the Company has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- (b) Terminate the subcontract with the subcontractor if within three days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Company shall not

terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

The Company shall comply with any reasonable request by the Colorado Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to the authority established in §8-17.5-102, C.R.S.

If the Company violates any provision of § 8-17.5-102, C.R.S., the District may terminate the Agreement immediately and the Company shall be liable to the District for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Company to the Colorado Secretary of State, as required by law.

We appreciate the opportunity to be of service to Section 14 Metropolitan District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

*SCHILLING & COMPANY, INC.*

Schilling & Company, Inc.

RESPONSE:

This letter correctly sets forth the understanding of Section 14 Metropolitan District.

Board Member Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# CERTIFICATION OF VALUATION BY COUNTY ASSESSOR

Name of Jurisdiction Section 14 Metropolitan District New Entity?  Yes  No

IN Denver COUNTY, COLORADO on August 23, 2021

<b>USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS ("5.5%" LIMIT) ONLY</b>
--

In accordance with 39-5-121(2)(a) and 39-5-128(1), C.R.S., and no later than August 25, the Assessor certifies the TOTAL VALUATION FOR ASSESSMENT for the taxable year 2021:

1. Previous year's NET TOTAL TAXABLE assessed valuation:	1.	\$11,266,070
2. Current year's GROSS TOTAL TAXABLE assessed valuation: <small>This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art, X, Sec. 20(8)(b), Colo. Constitution.</small>	2.	\$10,002,450
3. LESS TIF District Increment, If any:	3.	\$0
4. Current year's NET TOTAL TAXABLE assessed valuation:	4.	\$10,002,450
5. New Construction*: <small>New Construction is defined as: Taxable real property structures and the personal property connected with the structure.</small>	5.	\$0
6. Increased production of producing mine*:	6.	\$0
7. Annexations/Inclusions:	7.	\$0
8. Previously exempt Federal property*:	8.	\$0
9. New primary oil or gas production from any producing oil and gas leasehold or land (29-1-301(1)(b), C.R.S.): <small>Jurisdiction must apply (Form DLG 52B) to the division of Local Government before the value can be treated as growth in the limit calculation.</small>	9.	\$0
10. Taxes collected last year on omitted property as of August 1 (29-1-301(1)(a), C.R.S.):	10.	\$0
11. Taxes abated and refunded as of August 1 (29-1-301(1)(a), C.R.S. and (39-10-114(1)(a)(I)(B), C.R.S.): <small>*Jurisdiction must submit respective certifications (Form DLG 52 &amp; 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.</small>	11.	\$20,138

<b>USE FOR "TABOR LOCAL GROWTH" CALCULATIONS ONLY</b>
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In accordance with the provisions of Art. X, Sec. 20, Colo. Cons., and 39-5-121(2)(b), C.R.S., the Assessor certifies the TOTAL ACTUAL VALUATION for the taxable year 2021:

1. Current year's total actual value of ALL REAL PROPERTY: <small>This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.</small>	1.	\$32,406,500
<b>ADDITIONS</b> to taxable real property		
2. Construction of taxable real property improvements: <small>Construction is defined as newly constructed taxable real property structures.</small>	2.	\$0
3. Annexation/Inclusions:	3.	\$0
4. Increased mining production: <small>Includes production from new mines and increases in production of existing producing mines.</small>	4.	\$0
5. Previously exempt property:	5.	\$0
6. Oil or gas production from a new well:	6.	\$0
7. Taxable real property omitted from the previous year's tax warrant: <small>If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.</small>	7.	\$0
<b>DELETIONS</b> from taxable real property:		
8. Destruction of taxable real property improvements:	8.	\$0
9. Disconnections/Exclusions:	9.	\$0
10. Previously taxable property:	10.	\$0

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
--

1. Total actual value of all taxable property:	1.	
--	----	--

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): \*\*

\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.



**JEFFERSON**  
COUNTY COLORADO  
Assessor

**SCOT KERSGAARD**

Assessor

August 24, 2021

**AUG 27 2021**

OFFICE OF THE ASSESSOR  
100 Jefferson County Parkway  
Golden, CO 80419-2500  
Phone: 303-271-8600  
Fax: 303-271-8616  
Website: <http://assessor.jeffco.us>  
E-mail Address: [assessor@jeffco.us](mailto:assessor@jeffco.us)

SECTION 14 METRO DIST  
ANN FINN  
00141 UNION BLVD 150  
LAKEWOOD CO 80228

Code # 4805

### CERTIFICATION OF VALUATION

The Jefferson County Assessor reports a taxable assessed valuation for your taxing entity for 2021 of:

\$57,016,772

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

SCOT KERSGAARD  
Jefferson County Assessor

enc

**IN ACCORDANCE WITH 39-5-128(1.5), C.R.S.  
HOUSE BILL 21-1312 INFORMATION**

**SECTION 14 METRO DIST**

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): \*\*     \$ 148,869

\*\*The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

House Bill 21-1312 passed in June 2021 increased the business and state assessed personal property threshold exemption from \$7,901 to \$50,000 for the 2021 and 2022 tax years. The tax revenue lost due to this exemption will be reimbursed to the tax entity by the County Treasurer in accordance with 39-5-128(1.5), C.R.S.,

The Assessor is required to provide the Assessed Value of Exempt Business Personal and State Assessed Properties in the Certification of Valuation by Authority Letter. Due to time constraints the DLG 57 form revisions with our Software Vendor was not completed in time for August Certification of Valuation.

## CERTIFICATION OF VALUATION BY JEFFERSON COUNTY ASSESSOR

New Tax Entity  YES  NO

Date: August 24, 2021

**NAME OF TAX ENTITY:** SECTION 14 METRO DIST

**USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY**

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	43,338,530
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	57,016,772
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	57,016,772
5. NEW CONSTRUCTION: *	5.	\$	1,389,828
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	0
7. ANNEXATIONS/INCLUSIONS:	7.	\$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	\$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	3,258

- ‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constituion
- \* New construction is defined as: Taxable real property structures and the personal property connected with the structure.
- ≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treaed as growth in the limit calculation; use Forms DLG 52 & 52A.
- Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

**USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY**

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	200,746,978
<b>ADDITIONS TO TAXABLE REAL PROPERTY</b>			
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$	19,438,153
3. ANNEXATIONS/INCLUSIONS:	3.	\$	0
4. INCREASED MINING PRODUCTION: §	4.	\$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	0

**DELETIONS FROM TAXABLE REAL PROPERTY**

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$	0
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$	0
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$	0

- ¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
- \* Construction is defined as newly constructed taxable real property structures.
- § Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$	213,736,353
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NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

Mill levy certifications will only be accepted via e-mail: [MillLevyCertify@jeffco.us](mailto:MillLevyCertify@jeffco.us).

### TO ALL TAXING JURISDICTIONS:

Pursuant to section 39-5-128, you are hereby notified that, as the clerk of a municipality or secretary of a special district, you must officially certify your agency's mill levy with Jefferson County. To ensure your agency meets the statutory deadline of December 15<sup>th</sup>, **your agency's certification must be submitted via email to [MillLevyCertify@jeffco.us](mailto:MillLevyCertify@jeffco.us) on or before Friday, December 10, 2021.**

Please remember that prior to submitting your agency's mill levy for certification, you are required by statute to formally adopt your annual budget. The necessary forms, along with instructions as to completion, are provided by the Colorado Division of Local Government (DOLA) and can be found on their website ([www.dola.state.co.us](http://www.dola.state.co.us)). Using these forms will expedite the process to ensure that your agency's mill levy is certified in time for the billing of 2020 property taxes by the Jefferson County Treasurer's office. **As an added safeguard to ensure accurate mill levies are certified, resolution(s) authorizing mill levy amounts must be included with your submission.**

Each taxing authority is responsible for ensuring that the mill levy submitted for certification complies with all applicable state statutes. You are encouraged to utilize the resources made available by DOLA to gain a thorough understanding of the statutes that apply to your agency.

The statutory "5.5% Property Tax Revenue Limit," also known as the "Annual Levy Law" (Section 29-1-301, et seq., C.R.S.), applies to most statutory local governments that levy property taxes, and it restricts the amount of property tax revenue that may be collected each year. This does not apply to home-rule entities unless their charters specify this limit. The local government's limit is calculated by using the information on the Certification of Valuation (CV) sent by the County Assessor each year.

Your agency may also be subject to the provisions specified under Article X, Section 20 of the Colorado State Constitution (Taxpayer's Bill of Rights Amendment). Each agency will be mailed a worksheet prepared by DOLA that shows their calculation for the agency's "5.5% limit." For other worksheets and additional guidance, please refer to DOLA's website or contact their staff at any time for assistance.

The county is required by law to certify the mill levies for all taxing authorities located within its boundaries. We ask for your help in ensuring that your mill levy information is both accurate and timely so that we can efficiently begin compiling the mill levy information.

If your district will not levy property taxes, we ask that you notify the county in writing of this intent. Failure to submit the required information by the established statutory deadline may result in a delay in the billing of your entity's property taxes.

Please contact the Jefferson County Assessor, Data Control Department at 303-271-8628 for valuation or district information questions.

Please submit your mill levy certification and resolution no later than December 10 via e-mail to [MillLevyCertify@jeffco.us](mailto:MillLevyCertify@jeffco.us). To ensure reliable and timely delivery and processing of certifications, **submissions will not be accepted in-person or via postal delivery.**

We appreciate your assistance with this process. If you have any questions, please contact the Jefferson County Strategy, Planning & Analysis Division at 303-271-8520.

**SECTION 14 METROPOLITAN DISTRICT**  
**Assessed Value, Property Tax and Mill Levy Information**

	2020 Actual	2021 Adopted Budget	2022 Preliminary Budget
<b>Assessed Valuation</b>			
Jefferson County	\$ 42,890,765	\$ 43,338,530	\$ 57,016,772
Denver County	11,162,300	11,266,070	10,002,450
Sub Total Assessed Valuation	54,053,065	54,604,600	67,019,222
<b>TOTAL ASSESSED VALUATIONS</b>	<b>\$ 54,053,065</b>	<b>\$ 54,604,600</b>	<b>\$ 67,019,222</b>
<b>Mill Levy</b>			
General Fund	20.000	20.000	20.000
Temporary Mill Levy Reduction	0.000	0.000	0.000
Refunds and Abatements			
Denver	0.000	0.000	2.013
Jefferson	0.465	0.128	0.057
<b>Combined Total Mill Levy-Jefferson/Denver ONLY</b>	<b>20.465</b>	<b>20.128</b>	<b>22.070</b>
<b>Property Taxes</b>			
General Fund	\$ 1,081,061	\$ 1,092,092	\$ 1,340,384
Debt Service Fund	-	-	-
Refunds and Abatements	19,944	5,547	23,385
<b>Actual/Budgeted Property Taxes</b>	<b>\$ 1,101,005</b>	<b>\$ 1,097,639</b>	<b>\$ 1,363,769</b>

**SECTION 14 METROPOLITAN DISTRICT**

**GENERAL FUND**

**2022 Preliminary Budget**

with 2020 Actual, 2021 Adopted Budget, and 2021 Estimated

	2020 Actual	01/21-09/21 YTD Actual	2021 Adopted Budget	2021 Estimated	2022 Preliminary Budget
<b>BEGINNING FUND BALANCE</b>	\$ 1,019,647	\$ 1,622,558	\$ 611,351	\$ 1,622,558	\$ 2,122,248
<b>REVENUE</b>					
Property Taxes - Denver	223,044	221,593	225,321	225,321	220,184
Property Taxes - Jeff. Cty.	876,079	867,342	872,318	872,318	1,143,585
Specific Ownership Taxes	77,264	45,006	55,000	60,000	60,000
Interest Income	9,437	743	5,000	1,000	1,500
<b>Total Revenue</b>	<b>1,185,824</b>	<b>1,134,684</b>	<b>1,157,639</b>	<b>1,158,639</b>	<b>1,425,269</b>
<b>Total Funds Available</b>	<b>2,205,471</b>	<b>2,757,242</b>	<b>1,768,990</b>	<b>2,781,197</b>	<b>3,547,517</b>
<b>EXPENDITURES</b>					
Accounting	10,976	7,590	12,000	11,000	14,000
District Management	14,427	12,962	14,000	16,000	30,000
Audit	5,042	5,200	6,000	5,200	6,000
Director's Fees	1,500	1,500	2,300	2,300	2,300
Dues & Subscriptions	-	850	-	850	850
Election Expense	1,164	-	-	-	5,000
Insurance	6,946	5,811	7,800	5,811	7,800
Legal	32,484	21,335	30,000	30,000	33,000
Legal Publications	219	-	100	-	100
Miscellaneous Expenses	395	119	1,000	150	1,000
C&C of Denver Annual Fee	3,000	3,000	3,000	3,000	3,000
Payroll Taxes	115	115	176	176	176
Treasurer's Fees	15,372	15,226	16,465	16,465	20,457
Utilities	118,036	66,801	110,000	90,000	110,000
Landscape Maintenance	126,999	89,457	115,000	115,000	120,000
Oper. & Maint. Detention Ponds	-	7,175	-	13,000	15,000
Contingency	-	7,940	85,000	10,000	85,000
Emergency Reserves	-	-	34,729	-	42,758
<b>Total Expenditures</b>	<b>336,674</b>	<b>245,080</b>	<b>437,570</b>	<b>318,952</b>	<b>496,440</b>
<b>Transfers and Other Uses</b>					
Transfer to Capital	246,238	39,531	425,000	339,997	425,000
Transfer to Debt Service	-	-	-	-	-
<b>Total Expenditures Requiring Appropriation</b>	<b>582,912</b>	<b>284,611</b>	<b>862,570</b>	<b>658,949</b>	<b>921,440</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 1,622,558</b>	<b>\$ 2,472,631</b>	<b>\$ 906,420</b>	<b>\$ 2,122,248</b>	<b>\$ 2,626,077</b>

**SECTION 14 METROPOLITAN DISTRICT**

**CAPITAL PROJECTS FUND**

**2022 Preliminary Budget**

with 2020 Actual, 2021 Adopted Budget, and 2021 Estimated

	2020 Actual	01/21-09/21 YTD Actual	2021 Adopted Budget	2021 Estimated	2022 Preliminary Budget
BEGINNING FUND BALANCE	\$ 328	\$ (0)	\$ -	\$ (0)	\$ -
<b>REVENUE</b>					
Interest Income	2	-	-	3	-
Transfer from General Fund	246,238	39,531	425,000	339,997	425,000
<b>Total Revenue</b>	<b>246,241</b>	<b>39,531</b>	<b>425,000</b>	<b>340,000</b>	<b>425,000</b>
<b>Total Funds Available</b>	<b>246,569</b>	<b>39,530</b>	<b>425,000</b>	<b>340,000</b>	<b>425,000</b>
<b>EXPENDITURES</b>					
Dev. Reimb. - Monuments	167,287	-	-	60,000	60,000
Repay developer-interest	39,627	-	-	-	-
Management	3,854	11,013	15,000	15,000	5,000
Legal	15,591	46,004	50,000	60,000	45,000
Engineering	20,210	31,200	60,000	60,000	20,000
Storm Drainage Improvements	-	-	200,000	-	-
Outfall Structure No. 1	-	-	-	90,000	90,000
Outfall Structure No. 6	-	-	-	55,000	55,000
Contingency	-	-	100,000	-	150,000
<b>Total Expenditures</b>	<b>246,569</b>	<b>88,216</b>	<b>425,000</b>	<b>340,000</b>	<b>425,000</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>246,569</b>	<b>88,216</b>	<b>425,000</b>	<b>340,000</b>	<b>425,000</b>
ENDING FUND BALANCE	\$ (0)	\$ (48,687)	\$ -	\$ -	\$ -

**RESOLUTION NO. 2021-11-\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE SECTION 14 METROPOLITAN DISTRICT**  
**TO ADOPT THE 2022 BUDGET AND APPROPRIATE SUMS OF MONEY**

WHEREAS, the Board of Directors of the Section 14 Metropolitan District (“District”) has appointed the District Accountant to prepare and submit a proposed 2022 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2021, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 30, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Section 14 Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Section 14 Metropolitan District for the 2022 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

ADOPTED this 30th day of November, 2021.

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Secretary

(SEAL)

EXHIBIT A  
(Budget)

I, Ann Finn, hereby certify that I am the duly appointed Secretary of the Section 14 Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Section 14 Metropolitan District held on November 30, 2021.

By: \_\_\_\_\_  
Secretary

**RESOLUTION NO. 2021-11-\_\_\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE SECTION 14 METROPOLITAN DISTRICT**  
**TO SET MILL LEVIES**

WHEREAS, the Board of Directors of the Section 14 Metropolitan District (“District”) has adopted the 2022 annual budget in accordance with the Local Government Budget Law on November 30, 2021; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2022 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Section 14 Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

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

ADOPTED this 30th day of November, 2021.

\_\_\_\_\_  
Secretary

(SEAL)

**EXHIBIT A**  
(Certification of Tax Levies)

RESOLUTION NO. 2021-11-\_\_\_\_

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RESOLUTION APPROVED AND ADOPTED on November 30, 2021.

**SECTION 14 METROPOLITAN  
DISTRICT**

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary



141 Union Boulevard, Suite 150  
Lakewood, CO 80228-1898  
303-987-0835 • Fax: 303-987-2032

## MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski  
Executive Vice-President

DATE: August 31, 2021

RE: Notice of 2022 Rate Increase

A handwritten signature in blue ink that reads "Christel Gemski".

In accordance with the Management Agreement (“Agreement”) between the District and Special District Management Services, Inc. (“SDMS”), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by the CPI (5.28%) per hour.

We hope you will understand that it is necessary to increase our rates due to increasing gas and operating costs along with new laws and rules implemented by our legislature.