

STC METROPOLITAN DISTRICT NO. 2

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

NOTICE OF SPECIAL MEETING AND AGENDA

| <u>Board of Directors:</u> | <u>Office:</u> | <u>Term/Expires:</u> |
|----------------------------|---------------------|----------------------|
| James A. Brzostowicz | President | 2023/May 2023 |
| Angie Hulsebus | Treasurer | 2023/May 2023 |
| Terry Willis | Assistant Secretary | 2023/May 2023 |
| VACANT | | 2022/May 2022 |
| VACANT | | 2022/May 2022 |
| Peggy Ripko | Secretary | |

DATE: June 3, 2020

TIME: 9:00 A.M.

LOCATION: DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT BOARD MEETING WILL BE HELD BY CONFERENCE CALL WITHOUT ANY INDIVIDUALS (NEITHER DISTRICT REPRESENTATIVES NOR THE GENERAL PUBLIC) ATTENDING IN PERSON. IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE CALL IN TO THE CONFERENCE BRIDGE AT **877-221-1978** AND WHEN PROMPTED, DIAL IN THE PASSCODE OF **9521151**. Please email Peggy Ripko if there are any issues (pripko@sdmsi.com).

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda, confirm quorum, location of the meeting and posting of meeting notices.

C. Consideration of Board appointment after publication of notice of vacancy in Boulder Daily Camera on April 24, 2020.

II. CONSENT AGENDA

- Approve Minutes of the May 13, 2020 Special Meeting (enclosure).
 - Ratify approval of Project Requisition No. 7 in the amount of \$509,456.14.
-

III. FINANCIAL MATTERS

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

| Fund | Period Ending May 28, 2020 |
|--------------|-------------------------------|
| General | \$ 32,807.27 |
| Debt | \$ -0- |
| Capital | \$ 20,749.00 |
| Total | \$ 53,556.27 |

- B. Review and accept unaudited financial statements through the period ending April 30, 2020 (to be distributed) and schedule of cash position, dated April 30, 2020 (enclosure).

- C. Discuss status of operations and maintenance budget forecast (to be distributed).

- D. Review and consider approval of 2019 Audited Financial Statements (enclosure – draft Audit) and authorize execution of Representations Letter (enclosure).

IV. LEGAL MATTERS

- A. Discuss potential issuance of subordinate debt RC Superior, LLC (enclosure).

- B. Review and consider approval of Tract H Public Improvement Reimbursement Agreement between STC Metropolitan District No. 2, RC Superior, LLC, and the Town of Superior, Colorado (enclosure).

- C. Discuss Sidewalk Easement.

- D. Discuss and consider approval of update to McGeady Becher P.C. Records Retention Policy (enclosure).

- E. Discuss potential issuance of Series 2020 subordinate Cash Flow Bonds. Consider engagement of Financial Advisor and authorize necessary actions in conjunction therewith.

V. OPERATIONS AND MAINTENANCE

A. _____

VI. COVENANT CONTROL

A. Discuss Community Manager's Update (to be distributed).

B. Discuss Commercial Development and Park Update.

C. Discuss Homeowner Communication- E-mail Blasts.

D. Discuss and consider proposal with CAM Services for Power Washing the Garage (enclosure).

VII. CAPITAL PROJECTS

A. Review and consider acceptance of improvement costs in the amount of \$1,268,546.96, under that certain Final Engineers Report and Certification #60 prepared by Ranger Engineering, LLC, dated May 28, 2020 (enclosure).

1. Discuss and consider approval of Requisition No. 8 (to be distributed).

B. Review and consider approval of Change Order No. ____ with _____, in the amount of \$_____.

VIII. DEVELOPER UPDATE

A. Status of lot and home sales.

IX. OTHER MATTERS

A. _____

X. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR JULY 1, 2020.**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 2 HELD MAY 13, 2020

A Special Meeting of the Board of Directors (referred to hereafter as the “Board”) of the STC Metropolitan District No. 2 (referred to hereafter as the “District”) was convened on Wednesday, the 13th day of May, 2020, at 9:00 A.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held by conference call without any individuals (neither District Representatives nor the General Public) attending in person. The meeting was open to the public via conference call.

ATTENDANCE

Directors In Attendance Were:

James A. Brzostowicz
Angie Hulsebus
Terry Willis

Also In Attendance Were:

Peggy Ripko; Special District Management Services, Inc. (“SDMS”)

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

Bill Flynn; Simmons & Wheeler, P.C.

Bill Jencks, Jessica Sergi, and Sonia Chen; Ranch Capital, LLC

David Andrews; Edifice North, LLC

Guy “Anthony” Harrigan; Director of STC Metropolitan District No. 1

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board noted it was in receipt of disclosures of potential conflicts of interest statements for each of the Directors and that the statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting. Ms. Ripko requested that the Directors review the Agenda for the meeting and advised the Board to disclose any new conflicts of interest which had not been previously disclosed. No further disclosures were made by Directors present at the meeting.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS **Agenda:** Ms. Ripko distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

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

Confirm Quorum, Location of Meeting and Posting of Meeting Notices: Ms. Ripko confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board determined that due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting would be held by conference call without any individuals (neither District Representatives nor the General Public) attending in person, as stated above. The Board further noted that the notice of the time, date and location of the meeting was duly posted and that no objections to the location or any requests that the meeting place be changed were received from taxpaying electors within the District's boundaries.

Results of May 5, 2020 Regular Election: Ms. Ripko discussed with the Board the results of the May 5, 2020 Regular Election for Directors ("Election"). It was noted that the Election was cancelled, as permitted by statute and that Director Brzostowicz, Hulsebus, and Willis were deemed elected to three-year terms ending in 2023.

Ms. Becher explained eligibility requirements to Mr. Harrigan for joining the District No. 2 Board.

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

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the following slate of officers was appointed:

| | |
|---------------------|-------------------|
| President | James Brzostowicz |
| Treasurer | Angie Hulsebus |
| Secretary | Peggy Ripko |
| Assistant Secretary | Terry Willis |

RECORD OF PROCEEDINGS

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the April 1, 2020 Regular Meeting.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the above action, as presented.

FINANCIAL MATTERS

Claims: Mr. Flynn presented the Board with claims to consider for ratifying approval of payment as follows:

| Fund | Period Ending Apr. 22, 2020 |
|--------------|--------------------------------|
| General | \$ 29,971.26 |
| Debt | \$ -0- |
| Capital | \$ 2,880.00 |
| Total | \$ 32,851.26 |

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

Unaudited Financial Statements: Mr. Flynn reviewed with the Board the unaudited financial statements through the period ending March 31, 2020.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending March 31, 2020.

Operations and Maintenance Budget Forecast: Ms. Ripko is working on the Operations and Maintenance Budget Forecast.

2019 Audited Financial Statements and Representations Letter: The Board deferred discussion at this time.

LEGAL MATTERS

There were no Legal Matters for discussion at this time.

OPERATIONS / MAINTENANCE

There were no Operations or Maintenance Matters for discussion by the Board at this time.

RECORD OF PROCEEDINGS

COMMUNITY MANAGEMENT/ COVENANT CONTROL

Community Management Report: Ms. Ripko reviewed with the Board the Community Manager's Report.

CAPITAL PROJECTS

Final Engineer's Report and Certification #58 R1 dated, April 3, 2020: Ms. Ripko reviewed with the Board the improvement costs in the amount of \$743,899.62 under the Final Engineer's Report and Certification #58 R1, dated April 3, 2020, prepared by Ranger Engineering, LLC.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board accepted the improvement costs in the amount of \$743,899.62 under the Final Engineer's Report and Certification #58 R1, dated April 3, 2020, prepared by Ranger Engineering, LLC.

Project Requisition No. 6: The Board discussed Project Requisition No. 6.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Willis and, upon vote, unanimously carried, the Board accepted Project Requisition No. 6, in the amount of \$743,899.62.

Final Engineer's Report and Certification #59 dated, April 30, 2020: Ms. Ripko reviewed with the Board the improvement costs in the amount of \$509,456.14 under the Final Engineer's Report and Certification #59, dated April 30, 2020, prepared by Ranger Engineering, LLC.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board accepted the improvement costs in the amount of \$509,456.14 under the Final Engineer's Report and Certification #59, dated April 30, 2020, prepared by Ranger Engineering, LLC.

Corrected Change Order No. 005 of the SAMORA Construction Contract for STC Block 14: Mr. Andrews discussed with the Board Corrected Change Order No. 005 of the SAMORA Construction Contract for STC Block 14.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved Corrected Change Order No. 005 of the SAMORA Construction Contract for STC Block 14 in the amount of \$100,373.53.

Change Order No. 006 of the SAMORA Construction Contract for STC Block 14: Mr. Andrews discussed with the Board Change Order No. 006 of the SAMORA Construction Contract for STC Block 14.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved Change Order No. 006 of the SAMORA Construction Contract for STC Block 14 in the amount of \$ 38,868.56.

Project Requisition No. 7: The Board discussed Project Requisition No. 7.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board accepted Project Requisition No. 7, in the amount of \$509,456.14.

**DEVELOPER
UPDATE**

Lot and Home Sales: There were no major updates at this time except to note that Lot 26 will sell to Remington early next year.

OTHER MATTERS

There were no other matters for discussion at this time.

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting

STC Metropolitan District No.2
May-20

| | General | Debt | Capital | Totals |
|---|--------------------|---------------|--------------------|--------------------|
| Disbursements | \$ 32,622.57 | \$ - | \$ 20,749.00 | \$ 53,371.57 |
| | | \$ - | \$ - | \$ - |
| Payroll | \$ 184.70 | \$ - | | \$ 184.70 |
| Payroll Taxes District Portion | \$ - | \$ - | \$ - | \$ - |
| Total Disbursements from Checking Acct | \$32,807.27 | \$0.00 | \$20,749.00 | \$53,556.27 |

| <u>Check Issue Date</u> | <u>Check Number</u> | <u>Payee</u> | <u>Amount</u> |
|-----------------------------|-------------------------|--------------------|---------------|
| 05/28/2020 | 9171 | Brzostowicz, James | |
| 05/28/2020 | 9172 | Hulsebus, Angie | 92.35 |
| 05/28/2020 | 9173 | Willis, Terry A. | 92.35 |
| Grand Totals: | | | |
| | <u>3</u> | | <u>184.70</u> |

| Check No and Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|-------------------|------------------------------|--------------|--------------------|---------|-----------|-----------|
| 1508 | | | | | | |
| 05/28/2020 | Comcast | 16389 04/20 | Parking Structure | 1-730 | 153.01 | 153.01 |
| Total 1508: | | | | | | 153.01 |
| 1509 | | | | | | |
| 05/28/2020 | Doody Calls | 37333 | O&M - Landscaping | 1-720 | 203.00 | 203.00 |
| Total 1509: | | | | | | 203.00 |
| 1510 | | | | | | |
| 05/28/2020 | Loris and Associates | 000042000005 | Engineering | 3-784 | 10,602.50 | 10,602.50 |
| 05/28/2020 | Loris and Associates | 000052000006 | Engineering | 3-784 | 7,897.50 | 7,897.50 |
| Total 1510: | | | | | | 18,500.00 |
| 1511 | | | | | | |
| 05/28/2020 | McGeady Becher P.C. | 1190B 04/20 | Bonding | 3-795 | 1,774.00 | 1,774.00 |
| 05/28/2020 | McGeady Becher P.C. | 1190B 04/20 | Legal | 1-675 | 7,982.50 | 7,982.50 |
| 05/28/2020 | McGeady Becher P.C. | 1190B 04/20 | Construction Mgt | 3-765 | 475.00 | 475.00 |
| Total 1511: | | | | | | 10,231.50 |
| 1512 | | | | | | |
| 05/28/2020 | Mountain Alarm | 2107117 | Parking Structure | 1-730 | 210.00 | 210.00 |
| 05/28/2020 | Mountain Alarm | 2107118 | Parking Structure | 1-730 | 75.00 | 75.00 |
| 05/28/2020 | Mountain Alarm | 2107119 | Parking Structure | 1-730 | 75.00 | 75.00 |
| Total 1512: | | | | | | 360.00 |
| 1513 | | | | | | |
| 05/28/2020 | Prairie Mountain Publishing | 0000233053 | Election | 1-635 | 180.40 | 180.40 |
| Total 1513: | | | | | | 180.40 |
| 1514 | | | | | | |
| 05/28/2020 | Simmons & Wheeler, P.C. | 26297 | Accounting | 1-612 | 3,871.25 | 3,871.25 |
| Total 1514: | | | | | | 3,871.25 |
| 1515 | | | | | | |
| 05/28/2020 | Special Dist Management Srvs | D1 04/20 | Election | 1-635 | 154.00 | 154.00 |
| 05/28/2020 | Special Dist Management Srvs | D1 04/20 | Insurance/SDA Dues | 1-670 | 14.00 | 14.00 |
| 05/28/2020 | Special Dist Management Srvs | D1 04/20 | Management | 1-680 | 1,316.00 | 1,316.00 |
| 05/28/2020 | Special Dist Management Srvs | D1 04/20 | Miscellaneous | 1-685 | 9.80 | 9.80 |
| 05/28/2020 | Special Dist Management Srvs | D2 04/20 | Accounting | 1-612 | 1,274.00 | 1,274.00 |
| 05/28/2020 | Special Dist Management Srvs | D2 04/20 | Election | 1-635 | 112.00 | 112.00 |
| 05/28/2020 | Special Dist Management Srvs | D2 04/20 | Insurance/SDA Dues | 1-670 | 14.00 | 14.00 |
| 05/28/2020 | Special Dist Management Srvs | D2 04/20 | Management | 1-680 | 2,981.00 | 2,981.00 |
| 05/28/2020 | Special Dist Management Srvs | D2 04/20 | Miscellaneous | 1-685 | 176.93 | 176.93 |
| 05/28/2020 | Special Dist Management Srvs | D3 04/20 | Election | 1-635 | 42.00 | 42.00 |
| 05/28/2020 | Special Dist Management Srvs | D3 04/20 | Insurance/SDA Dues | 1-670 | 14.00 | 14.00 |
| 05/28/2020 | Special Dist Management Srvs | D3 04/20 | Management | 1-680 | 42.00 | 42.00 |
| 05/28/2020 | Special Dist Management Srvs | D3 04/20 | Miscellaneous | 1-685 | 3.58 | 3.58 |
| Total 1515: | | | | | | 6,153.31 |

| Check No and Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|-------------------|---------------------------------|-----------------|-------------------|---------|----------|-----------|
| 1516 | | | | | | |
| 05/28/2020 | Thyssenkrupp Elevator Corporati | 3005215979 | O&M - Maintenance | 1-735 | 170.41 | 170.41 |
| Total 1516: | | | | | | 170.41 |
| 1517 | | | | | | |
| 05/28/2020 | Town of Superior | 2289 1/2 04/20 | Utilities | 1-704 | 13.37 | 13.37 |
| 05/28/2020 | Town of Superior | 290 1/2 04/20 | Utilities | 1-704 | 13.37 | 13.37 |
| 05/28/2020 | Town of Superior | 411 1/2 04/20 | Utilities | 1-704 | 13.37 | 13.37 |
| 05/28/2020 | Town of Superior | 438 1/2 04/20 | Utilities | 1-704 | 13.37 | 13.37 |
| 05/28/2020 | Town of Superior | 440 1/2 04/20 | Utilities | 1-704 | 13.37 | 13.37 |
| 05/28/2020 | Town of Superior | NE MCCASLIN 04/ | Utilities | 1-704 | 16.17 | 16.17 |
| Total 1517: | | | | | | 83.02 |
| 1518 | | | | | | |
| 05/28/2020 | Vargas Property Services, Inc. | 30293 | Snow Removal | 1-725 | 4,039.25 | 4,039.25 |
| 05/28/2020 | Vargas Property Services, Inc. | 30319 | Snow Removal | 1-725 | 6,309.25 | 6,309.25 |
| 05/28/2020 | Vargas Property Services, Inc. | 30377 | O&M - Landscaping | 1-720 | 2,178.63 | 2,178.63 |
| Total 1518: | | | | | | 12,527.13 |
| 1519 | | | | | | |
| 05/28/2020 | Xcel Energy | 682614987 | Utilities | 1-704 | 76.06 | 76.06 |
| 05/28/2020 | Xcel Energy | 682629905 | Utilities | 1-704 | 133.57 | 133.57 |
| 05/28/2020 | Xcel Energy | 682632780 | Utilities | 1-704 | 79.13 | 79.13 |
| 05/28/2020 | Xcel Energy | 682637548 | Utilities | 1-704 | 44.35 | 44.35 |
| 05/28/2020 | Xcel Energy | 682637839 | Utilities | 1-704 | 342.89 | 342.89 |
| 05/28/2020 | Xcel Energy | 682646042 | Utilities | 1-704 | 144.31 | 144.31 |
| 05/28/2020 | Xcel Energy | 682650296 | Utilities | 1-704 | 23.17 | 23.17 |
| 05/28/2020 | Xcel Energy | 682650623 | Utilities | 1-704 | 28.74 | 28.74 |
| 05/28/2020 | Xcel Energy | 682652973 | Utilities | 1-704 | 38.22 | 38.22 |
| 05/28/2020 | Xcel Energy | 682670414 | Utilities | 1-704 | 28.10 | 28.10 |
| Total 1519: | | | | | | 938.54 |
| Grand Totals: | | | | | | 53,371.57 |

STC 2 Cash position

| | | | |
|---|--------------------|---|-----------------------|
| 1st Bank balance at 4/30/2020 | 92,336.36 | UMB Balances at 4/30/2020 | |
| D1 April taxes | 192.32 | Bond Fund | 6,383,218.21 |
| D2 April taxes | 280.77 | Reserve Fund | 7,052,681.05 |
| D3 April taxes | 72.35 | Surplus Fund | 255,645.46 |
| May deposits - Parking structure | 169.49 | 2019A Project Fund | 22,738,660.78 |
| | <u>93,051.29</u> | 2019B Project Fund | 19,277,188.19 |
| | | | <u>55,707,393.69</u> |
| May claims - checks 1508 - 1519 | (53,371.57) | Requisition #6 on 5/7/2020 | (743,899.62) |
| May Directors fees | (184.70) | Requisition #7 on 5/12/2020 | (509,456.14) |
| | <u>(53,556.27)</u> | | <u>(1,253,355.76)</u> |
| Total Cash position in 1st Bank | 39,495.02 | Expect debt service payment June 1st | (1,952,662.50) |
| SURA taxes in UMB to be transferred to 1st Bank | 67,036.25 | SURA taxes in UMB to be transferred to 1st Bank | (67,036.25) |
| Expected 1st Bank Balance at 6/3/2020 | 106,531.28 | Expected UMB Balances at at 6/3/2020 | |
| | | Bond Fund | 4,430,555.71 |
| | | Reserve Fund | 7,052,681.05 |
| | | Surplus Fund | 188,609.21 |
| | | 2019A Project Fund | 21,485,305.02 |
| | | 2019B Project Fund | 19,277,188.19 |
| | | | <u>52,434,339.18</u> |

STC METROPOLITAN DISTRICT NO. 2

Financial Statements

December 31, 2019

STC METROPOLITAN DISTRICT NO. 2

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Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
STC Metropolitan District No. 2
Boulder County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the STC Metropolitan District No. 2 as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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• Member American Institute of Certified Public Accountants • Member Colorado Society of Certified Public Accountants •

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the STC Metropolitan District No. 2, as of December 31, 2019, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the STC Metropolitan District No. 2's basic financial statements. The budget to actual schedules for the Debt Service and Capital Projects Funds (Supplementary Information), the Schedule of Debt Service Requirements to Maturity and the Schedule of Future Debt Service Requirements (Other Information) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Other Information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

April 27, 2020

BASIC FINANCIAL STATEMENTS

STC METROPOLITAN DISTRICT NO. 2

STATEMENT OF NET POSITION

December 31, 2019

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Assets | |
| Cash and Investments | \$ 267,298 |
| Cash and Investments - Restricted | 57,826,165 |
| Due from District No. 1 | 3,834 |
| Due from District No. 3 | 64 |
| Prepaid Expenses | 1,450 |
| Receivable from County Treasurer | 4,463 |
| Property Taxes Receivable | 700 |
| Tax Increment Taxes Receivable | 2,436,900 |
| Capital Assets Not Being Depreciated | 47,215,091 |
| Capital Assets, Net | <u>2,145,975</u> |
| Total Assets | <u>109,901,940</u> |
| Liabilities | |
| Accounts Payable | 89,802 |
| Accrued Interest Payable | 144,642 |
| Noncurrent Liabilities | |
| Due In More Than One Year | <u>117,470,136</u> |
| Total Liabilities | <u>117,704,580</u> |
| Deferred Inflows of Resources | |
| Deferred Property Tax | 700 |
| Deferred Tax Increment Taxes | <u>2,436,900</u> |
| Total Deferred Inflows of Resources | <u>2,437,600</u> |
| Net Position | |
| Net Investment In Capital Assets | 2,145,975 |
| Restricted for | |
| TABOR Reserve | 4,300 |
| Unrestricted | <u>(12,390,515)</u> |
| Total Net Position | <u>\$ (10,240,240)</u> |

The notes to the financial statements are an integral part of this statement.

STC METROPOLITAN DISTRICT NO. 2

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

| Function/Program Activities | Expenses | Program Revenues | | | Net (Expense) |
|---|---------------------|---|---|---|--|
| | | Permits, Fees, Fines, and Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Revenue and Changes in Net Position |
| | | | | | Governmental Activities |
| Governmental Activities | | | | | |
| General Government | \$ 390,328 | \$ - | \$ 50,654 | \$ - | \$ (339,674) |
| Interest and Related Costs on Long-term Debt | 9,209,975 | - | - | 211,640 | (8,998,335) |
| Total Governmental Activities | \$ 9,600,303 | \$ - | \$ 50,654 | \$ 211,640 | (9,338,009) |
| General Revenues: | | | | | |
| | | | | | |
| | | | | | 803 |
| | | | | | 19,583 |
| | | | | | 1,870,402 |
| | | | | | 127,714 |
| | | | | | 2,050 |
| | | | | | 2,020,552 |
| | | | | | (7,317,457) |
| | | | | | (2,922,783) |
| | | | | | \$ (10,240,240) |

The notes to the financial statements are an integral part of this statement.

STC METROPOLITAN DISTRICT NO. 2

**BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019**

| | General | Debt Service | Capital Projects | Total |
|---|-------------------|-------------------------|-----------------------------|----------------------|
| Assets | | | | |
| Cash and Investments | \$ 267,298 | \$ - | \$ - | \$ 267,298 |
| Cash and Investments - Restricted | - | 13,357,789 | 44,468,376 | 57,826,165 |
| Receivable from County Treasurer | 388 | 4,075 | - | 4,463 |
| Due from District No. 1 | 186 | 3,648 | - | 3,834 |
| Due from District No. 3 | 22 | 42 | - | 64 |
| Prepaid Expense | 1,450 | - | - | 1,450 |
| Due from Other Funds | 176,700 | - | - | 176,700 |
| Property Taxes Receivable | 155 | 545 | - | 700 |
| Tax Increment Taxes Receivable | 89,900 | 2,347,000 | - | 2,436,900 |
| Total Assets | \$ 536,099 | \$ 15,713,099 | \$ 44,468,376 | \$ 60,717,574 |
| Liabilities | | | | |
| Accounts payable | \$ 89,802 | \$ - | \$ - | \$ 89,802 |
| Due to Other Funds | - | 57,114 | 119,586 | 176,700 |
| Total Liabilities | 89,802 | 57,114 | 119,586 | 266,502 |
| Deferred Inflows of Resources | | | | |
| Deferred Property Tax | 155 | 545 | - | 700 |
| Deferred Tax Increment Taxes | 89,900 | 2,347,000 | - | 2,436,900 |
| Total Deferred Inflows of Resources | 90,055 | 2,347,545 | - | 2,437,600 |
| Fund Balances | | | | |
| Nonspendable | | | | |
| Prepaid Expenses | 1,450 | - | - | 1,450 |
| Restricted for | | | | |
| TABOR Reserve | 4,300 | - | - | 4,300 |
| Debt Service | - | 13,308,440 | - | 13,308,440 |
| Capital Projects | - | - | 44,348,790 | 44,348,790 |
| Assigned for Subsequent Year's Expenditures | 222,626 | - | - | 222,626 |
| Unassigned | 127,866 | - | - | 127,866 |
| Total Fund Balances | 356,242 | 13,308,440 | 44,348,790 | 58,013,472 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 536,099 | \$ 15,713,099 | \$ 44,468,376 | \$ 60,717,574 |

The notes to the financial statements are an integral part of this statement.

STC METROPOLITAN DISTRICT NO. 2

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION**

December 31, 2019

| | | |
|--|--|---------------|
| Total Fund Balances - Governmental Funds | | \$ 58,013,472 |
|--|--|---------------|

Total net position reported for governmental activities in the statement of
of net position is different because:

Capital assets used in governmental activities are not financial
resources and therefore are not reported in the funds. Those
assets consist of:

| | | |
|-------------------------------|-----------------|------------|
| Capital Assets | \$ 49,430,291 | |
| Less Accumulated Depreciation | <u>(69,225)</u> | 49,361,066 |

Long-term liabilities applicable to the District's governmental
activities are not due and payable in the current period and
accordingly are not reported as fund liabilities. All liabilities,
both current and long-term, are reported in the statement of
net position.

Balances at December 31, 2019 are:

| | | |
|---|------------------|----------------------|
| Bonds Payable | (110,560,000) | |
| Bond Premium | (5,640,591) | |
| Accrued Interest on Bonds | (144,642) | |
| Developer Advance Payable | (1,078,188) | |
| Accrued interest payable on Developer advance | <u>(191,357)</u> | <u>(117,614,778)</u> |

| | | |
|--|--|------------------------|
| Net Position - Governmental Activities | | <u>\$ (10,240,240)</u> |
|--|--|------------------------|

The notes to the financial statements are an integral part of this statement.

STC METROPOLITAN DISTRICT NO. 2

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2019

| | General | Debt Service | Capital Projects | Total |
|---|-------------------|-------------------------|-----------------------------|----------------------|
| Revenues | | | | |
| Property Taxes | \$ 178 | \$ 625 | \$ - | \$ 803 |
| Specific Ownership Tax | 4,352 | 15,231 | - | 19,583 |
| SURA Property Tax Increment | 80,009 | 1,790,393 | - | 1,870,402 |
| Transfer from District No. 1 | 40,408 | 202,048 | - | 242,456 |
| Transfer from District No. 3 | 4,648 | 9,592 | - | 14,240 |
| Parking Garage Cost Share | 5,598 | - | - | 5,598 |
| Net Investment Income | 5,592 | 90,152 | 31,970 | 127,714 |
| Miscellaneous | 2,050 | - | - | 2,050 |
| Total Revenues | 142,835 | 2,108,041 | 31,970 | 2,282,846 |
| Expenditures | | | | |
| Current | | | | |
| Accounting | 30,328 | - | 8,914 | 39,242 |
| Audit | 10,028 | - | - | 10,028 |
| Directors Fees | 2,600 | - | - | 2,600 |
| Insurance | 24,407 | - | - | 24,407 |
| Legal | 62,183 | - | 42,520 | 104,703 |
| Management | 50,465 | - | - | 50,465 |
| Miscellaneous | 4,752 | - | - | 4,752 |
| Treasurers Fees | 13 | 46 | - | 59 |
| Payroll Taxes | 199 | - | - | 199 |
| Utilities | 22,057 | - | - | 22,057 |
| Covenant Control | 11,205 | - | - | 11,205 |
| Aweida Inclusion | 143 | - | - | 143 |
| Landscaping | 47,913 | - | - | 47,913 |
| Parking Garage | 5,766 | - | - | 5,766 |
| Roads & Sidewalks | 62,348 | - | - | 62,348 |
| Miscellaneous Operations | 495 | - | - | 495 |
| Capital Outlay | | | | |
| Construction Expenses | - | - | 10,734,092 | 10,734,092 |
| Developer Reimbursement | - | - | 28,867,485 | 28,867,485 |
| Developer Reimbursement - Interest | - | - | 4,540,536 | 4,540,536 |
| Debt Service | | | | |
| Bond Principal | - | 22,795,000 | - | 22,795,000 |
| Bond Interest | - | 4,601,947 | - | 4,601,947 |
| Costs of Issuance | - | - | 2,998,747 | 2,998,747 |
| Paying Agent Fees | - | 4,000 | - | 4,000 |
| Total Expenditures | 334,902 | 27,400,993 | 47,192,294 | 74,928,189 |
| Excess Revenues Over (Under) | | | | |
| Expenditures | (192,067) | (25,292,952) | (47,160,324) | (72,645,343) |
| Other Financing Sources (Uses) | | | | |
| Developer Advances | 415,711 | - | 10,661,225 | 11,076,936 |
| Transfers In | - | 35,352,702 | - | 35,352,702 |
| Bond Proceeds | - | - | 110,560,000 | 110,560,000 |
| Bond Premium | - | - | 5,640,591 | 5,640,591 |
| Transfers Out | - | - | (35,352,702) | (35,352,702) |
| Total Other Financing Sources (Uses) | 415,711 | 35,352,702 | 91,509,114 | 127,277,527 |
| Net Change in Fund Balances | 223,644 | 10,059,750 | 44,348,790 | 54,632,184 |
| Fund Balances - Beginning | 132,598 | 3,248,690 | - | 3,381,288 |
| Fund Balances - Ending | \$ 356,242 | \$ 13,308,440 | \$ 44,348,790 | \$ 58,013,472 |

The notes to the financial statements are an integral part of this statement.

STC METROPOLITAN DISTRICT NO. 2

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2019

Net Change in Fund Balances - Total Governmental Funds \$ 54,632,184

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

| | |
|----------------------|------------|
| Capital outlay | 10,785,526 |
| Depreciation Expense | (55,380) |

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:

| | |
|--|---------------|
| Bond Issuance | (110,560,000) |
| Premium on Bond Issuance | (5,640,591) |
| Principal Payment - General Obligation Bonds | 22,795,000 |
| Developer advances | (11,076,936) |
| Repayment of developer advance | 33,408,021 |

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds

| | |
|---|-------------|
| Accrued interest on Developer advances | (3,140,553) |
| Accrued interest on bonds - Change in liability | 1,947,611 |
| Amortization of bond discount | (412,339) |

| | |
|--|----------------|
| Change in Net Position - Governmental Activities | \$ (7,317,457) |
|--|----------------|

The notes to the financial statements are an integral part of this statement.

STC METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended December 31, 2019

(With Comparative Totals for the Year Ended December 31, 2018)

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget - Positive (Negative) | 2018 Actual |
|-------------------------------------|--------------------|------------------|-------------------|---|-------------------|
| Revenues | | | | | |
| Property Taxes | \$ 176 | \$ 176 | \$ 178 | \$ 2 | \$ 163 |
| Specific Ownership Tax | 8,200 | 8,200 | 4,352 | (3,848) | 4,322 |
| SURA Property Tax Increment | 102,495 | 102,495 | 80,009 | (22,486) | 72,938 |
| Transfer from District No. 1 | 40,007 | 40,007 | 40,408 | 401 | 21,225 |
| Transfer from District No. 3 | 4,835 | 4,835 | 4,648 | (187) | 1,190 |
| Parking Garage Cost Share | 22,000 | 22,000 | 5,598 | (16,402) | - |
| Net Investment Income | - | - | 5,592 | 5,592 | 1,103 |
| Miscellaneous | - | - | 2,050 | 2,050 | - |
| Total Revenues | 177,713 | 177,713 | 142,835 | (34,878) | 100,941 |
| Expenditures | | | | | |
| Administrative | | | | | |
| Accounting | 25,000 | 25,000 | 30,328 | (5,328) | 11,542 |
| Audit | 11,000 | 11,000 | 10,028 | 972 | 9,600 |
| Directors Fees | 5,000 | 5,000 | 2,600 | 2,400 | 1,600 |
| Insurance | 16,000 | 16,000 | 24,407 | (8,407) | 12,844 |
| Legal | 40,000 | 40,000 | 62,183 | (22,183) | 25,966 |
| Management | 50,000 | 50,000 | 50,465 | (465) | 62,706 |
| Miscellaneous | 1,000 | 1,000 | 4,752 | (3,752) | 2,621 |
| Treasurers Fees | 3 | 3 | 13 | (10) | 19 |
| Payroll Taxes | 300 | 300 | 199 | 101 | 122 |
| Utilities | 9,000 | 9,000 | 22,057 | (13,057) | 7,464 |
| Covenant Control | 18,000 | 18,000 | 11,205 | 6,795 | - |
| Aweida Inclusion | - | - | 143 | (143) | - |
| Emergency Reserve | 9,526 | 9,526 | - | 9,526 | - |
| Operations and Maintenance | | | | | |
| Landscaping | 45,000 | 45,000 | 47,913 | (2,913) | 70,898 |
| Parking Garage | 44,000 | 44,000 | 5,766 | 38,234 | - |
| Mailboxes | 2,000 | 2,000 | - | 2,000 | - |
| Roads & Sidewalks | 40,000 | 40,000 | 62,348 | (22,348) | 43,143 |
| Field Services | 6,500 | 6,500 | - | 6,500 | - |
| Miscellaneous Operations | 1,500 | 1,500 | 495 | 1,005 | 1,542 |
| Reserve | 3,224 | 3,224 | - | 3,224 | - |
| Total Expenditures | 327,053 | 327,053 | 334,902 | (7,849) | 250,067 |
| Excess Revenues Over (Under) | | | | | |
| Expenditures | (149,340) | (149,340) | (192,067) | (42,727) | (149,126) |
| Other Financing Sources | | | | | |
| Developer Advances | 10,000 | 10,000 | 415,711 | 405,711 | 187,083 |
| Net Change in Fund Balance | (139,340) | (139,340) | 223,644 | 362,984 | 37,957 |
| Fund Balance - Beginning | 139,340 | 139,340 | 132,598 | (6,742) | 94,641 |
| Fund Balance - Ending | \$ - | \$ - | \$ 356,242 | \$ 356,242 | \$ 132,598 |

The notes to the financial statements are an integral part of this statement.

STC METROPOLITAN DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 1 – Definition of Reporting Entity`

The STC Metropolitan District No. 2 (the District), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by recorded order and decree of the District Court for Boulder County on December 5, 2013, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District is one of three related districts: STC Metropolitan District Nos. 1, 2 and 3 (the Districts).

The District operates under a Service Plan approved by the Town of Superior (the Town) on May 13, 2013 and amended on April 6, 2014. Pursuant to the Service Plan, Districts Nos. 2 and 3 are referred to as the Financing Districts and District No. 1 is the Management District. The Management District is responsible for managing, implementing and coordinating the financing, construction, and the operation and maintenance of all public infrastructure and services within and without the project known as Superior Town Center. The Financing Districts provide the funding for the improvements and the tax base needed to support ongoing operations of the Districts. On January 1, 2015, the Districts entered into a Facilities Funding, Construction and Operation Agreement whereby District No. 2 took over the responsibilities of the Management, or Operating District, and District No. 1 became a financing District (see Note 6).

The District's service area boundaries are located entirely within the Town and the Superior Urban Renewal Area.

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

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

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

STC METROPOLITAN DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 2 – Summary of Significant Accounting Policies

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

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the assets and liabilities of the District is reported as net position.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days after year-end. The major sources of revenue susceptible to accrual are property taxes. All other

STC METROPOLITAN DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

revenue items are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The District reports the following major governmental funds:

General Fund – This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – This fund is used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt.

Capital Projects Fund – This fund is used to account for financial resources earmarked or segregated for the acquisition and construction of major capital facilities and other project-oriented activities.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Budgets

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

The District has amended its budget for the year ended December 31, 2019.

Pooled Cash and Investments

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

Cash and investments are presented on the balance sheet in the basic financial statements at fair value.

STC METROPOLITAN DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Capital Assets

Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets defined by the District as assets include improvements to buildings and equipment with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets that are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of the net investment in capital assets.

Depreciation expense has been computed using the straight-line method over the estimated economic useful life of 40 years.

Interfund Balances

The District reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds. The interfund balances have been eliminated in the government-wide statements.

Property Taxes

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

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

STC METROPOLITAN DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources until then.

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, one item, unavailable revenue – property tax, is reported in both the government-wide statement of net position and the governmental funds balance sheet. This amount is deferred and recognized as inflow of resources in the period that the amounts become available.

Long-term Obligations and Original Issue Discount

In the government-wide financial statements, debt premiums and discounts are deferred and amortized over the life of the issue using the percentage of current principal payments to total debt issue. Debt issuance costs, except any portion related to prepaid insurance costs, are expensed when incurred.

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

Net Position and Fund Equity

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

STC METROPOLITAN DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Restricted net position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation.

Unrestricted net position represents assets that do not have any third-party limitations on their use.

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as *prepaid amounts*) or legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balances that is constrained to be used for a specific purpose by external parties (such as bondholders), constitutional provisions or enabling legislation.

Committed fund balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned fund balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

STC METROPOLITAN DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

Unassigned fund balance - The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

Note 3 – Cash and Investments

Cash and investments as of December 31, 2019, are classified in the accompanying financial statements as follows:

| | <u>Unrestricted</u> | <u>Restricted</u> | <u>Total</u> |
|-------------|---------------------|----------------------|----------------------|
| Cash | \$ 267,298 | \$ - | \$ 267,298 |
| Investments | - | 57,826,165 | 57,826,165 |
| Total | <u>\$ 267,298</u> | <u>\$ 57,826,165</u> | <u>\$ 58,093,463</u> |

Cash Deposits

Custodial credit risk

Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Colorado Public Deposit Protection Act (PDPA) governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and as such, these deposits are considered to be uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2019, the District's had a bank balance of \$320,840 and a carrying balance of \$267,298.

STC METROPOLITAN DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

Investments

The District has adopted an investment policy by which it follows state statutes regarding investments.

The District generally limits its concentration of investments to obligations of the United States, certain U.S. government agency securities and Local Government Investment Pools, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

At December 31, 2019, the District had the following investments:

| <u>Investment</u> | <u>Maturity</u> | <u>Fair Value</u> |
|--|--------------------------------|----------------------|
| Colorado Local Government Liquid Asset Trust (Colotrust) | Weighted average under 60 days | <u>\$ 57,826,165</u> |

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The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Restricted Cash and Investments

At December 31, 2019, cash and investments in the amount of \$57,826,165 are restricted. This includes cash and investments held by the Debt Service Fund for bond reserves and bond principal and interest payments (see Note 5).

Note 4 – Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2019 follows:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balance</u> |
|---|------------------------------|----------------------|------------------|---------------------------|
| Capital assets not being depreciated | | | | |
| Construction in Progress | <u>\$ 36,429,565</u> | <u>\$ 10,785,526</u> | <u>\$ -</u> | <u>\$ 47,215,091</u> |
| Capital assets not being depreciated | | | | |
| Parking Structure | 2,215,200 | - | - | 2,215,200 |
| Less accumulated depreciation for: | | | | |
| Parking Structure | <u>(13,845)</u> | <u>(55,380)</u> | <u>-</u> | <u>(69,225)</u> |
| Net total depreciable assets | <u>2,201,355</u> | <u>(55,380)</u> | <u>-</u> | <u>2,145,975</u> |
| Governmental activities capital assets, net | <u>\$ 38,630,920</u> | <u>\$ 10,730,146</u> | <u>\$ -</u> | <u>\$ 49,361,066</u> |

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Note 5 – Long-Term Obligations

The following is an analysis of changes in the District’s long-term obligations for the year ended December 31, 2019:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|---|------------------------------|-----------------------|----------------------|---------------------------|------------------------------------|
| <u>Governmental Activities:</u> | | | | | |
| General Obligation Limited Tax Bonds, Series 2015A | \$ 15,795,000 | \$ - | \$ 15,795,000 | \$ - | \$ - |
| Subordinate General Obligation Limited Tax Bonds, Series 2015B | 7,000,000 | - | 7,000,000 | - | - |
| Original Issue Discount | (412,339) | - | (412,339) | - | - |
| General Obligation Limited Tax Bonds, Series 2019A | - | 90,790,000 | - | 90,790,000 | - |
| Series 2019A Premium | - | 5,640,591 | - | 5,640,591 | - |
| General Obligation Limited Tax Bonds, Series 2019B | - | 19,770,000 | - | 19,770,000 | - |
| Developer Advances: | | | | | |
| Capital | 18,206,260 | 10,661,225 | 28,867,485 | - | - |
| Operating | 662,477 | 415,711 | - | 1,078,188 | - |
| Developer Advance Accrued Interest: | | | | | |
| Capital | 1,480,720 | 3,059,816 | 4,540,536 | - | - |
| Operating | 110,620 | 80,737 | - | 191,357 | - |
| | <u>\$ 42,842,738</u> | <u>\$ 130,418,080</u> | <u>\$ 55,790,682</u> | <u>\$ 117,470,136</u> | <u>\$ -</u> |

The details of the District’s long-term obligations are as follows:

General Obligation Bonds

\$17,055,000 General Obligation Limited Tax Bonds, Series 2015A, dated April 8, 2015, (the Senior Bonds) with interest of 6.00%, payable semiannually on June 1 and December 1, beginning on June 1, 2015. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2018. The Bonds mature on December 1, 2038, and are subject to redemption prior to maturity, at the option of the District, on December 1, 2019, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

| <u>Date of Redemption</u> | <u>Redemption Premium</u> |
|--|---------------------------|
| December 1, 2019, to November 30, 2020 | 3.00% |
| December 1, 2020, to November 30, 2021 | 2.00% |
| December 1, 2021, to November 30, 2022 | 1.00% |
| December 1, 2022, and thereafter | 0.00% |

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NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

The proceeds from the sale of the Senior and Subordinate Bonds, as hereinafter defined, were used for the purposes of: (i) paying or reimbursing the costs of capital infrastructure improvements; (ii) providing capitalized interest for the Senior Bonds; (iii) funding a Reserve Fund securing the Senior Bonds; and; (iv) paying costs of issuance of the Senior and Subordinate Bonds.

The Series 2015 Bonds, as hereinafter defined, are limited tax general obligations of the District secured by and payable solely from the Pledged Revenue, generally consisting of: (a) PIF Revenue attributable to privately imposed public improvement fees payable with respect to the Sports Arena Facility located within the boundaries of the District; (b) prior to the TIF Expiration Date, all SURA Pledged Revenue (comprised of certain property tax increment revenues payable to the District in accordance with the Cost Sharing Agreement); (c) property tax revenues derived from ad valorem property taxes imposed by the District and District No. 1, a portion of which revenues constitute District Property Tax Increment Revenue payable by Superior Urban Renewal Authority (SURA) to the District in accordance with a Cost Sharing Agreement; (d) certain Specific Ownership Tax Revenues; and (e) all PILOT Revenue (constituting certain payments in lieu of taxes) if any.

The 2015 Bond Indenture requires that a District No. 2 Required Mill Levy be imposed in an amount sufficient to pay the principal of and interest on the Senior Bonds, in an amount equal to 35 mills in tax levy years 2015 through 2023 and 50 mills in tax levy years 2024 and thereafter. Further, District No. 1 had pledged a debt service mill levy of 50 mills.

The Senior Bonds are also secured by amounts held in the Senior Reserve Fund, which is to be funded upon issuance of the Senior Bonds in the amount of the Required Reserve equal to \$1,601,000, and amounts accumulated in the Surplus Fund, if any.

On December 19, 2019, the District currently refunded \$15,795,000 of outstanding principal of the Series 2015A Bonds with an interest rate of 6% and \$7,000,000 of outstanding principal of the Series 2015B Bonds with an interest rate of 7.75% by the issuance of \$90,790,000 Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2019A, dated December 19, 2019, with an average interest rate of 4.905%. A portion of the proceeds from the Series 2019A Bonds amounting to \$25,315,993, which included \$3,309,766 of existing District funds, were used to redeem the 2015A and 2015B and to pay the optional redemption premium. The District refunded the Series 2015 Bonds to take advantage of lower interest rates.

\$7,000,000 Subordinate General Obligation Limited Tax Bonds, Series 2015B, dated April 8, 2015, (the Subordinate Bonds, together with the Senior Bonds, the Series 2015 Bonds) with interest of 7.75%, payable annually on December 15, beginning on December 15, 2015. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Principal on the Subordinate Bonds is payable each December 15 from revenues available after the payment of all amounts due on the Senior Bonds, including funding the Senior Reserve Fund and the Surplus Fund as required in the Indenture. Unpaid interest on the

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Subordinate Bonds compounds annually on each December 15. The Subordinate Bonds are also subject to redemption prior to maturity, at the option of the District, on December 15, 2019, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

| <u>Date of Redemption</u> | <u>Redemption Premium</u> |
|---|---------------------------|
| December 15, 2019, to December 14, 2020 | 3.00% |
| December 15, 2020, to December 14, 2021 | 2.00% |
| December 15, 2021, to December 14, 2022 | 1.00% |
| December 15, 2022, and thereafter | 0.00% |

The amounts of principal and interest payments to be made in future years on the Subordinate Bonds will depend on pledged revenue collected and cannot be predicted with certainty.

As mentioned above, the Series 2015 Bonds were refunded on December 19, 2019 with the issuance of the Series 2019A Bonds.

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2019A, Dated December 19, 2019 (the 2019A Senior Bonds) with interest rates ranging from 3.00% to 5.00%, payable semiannually on June 1 and December 1, beginning on June 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2024. The 2019A Bonds mature on December 1, 2049, and are subject to redemption prior to maturity, at the option of the District, on December 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

| <u>Date of Redemption</u> | <u>Redemption Premium</u> |
|--|---------------------------|
| December 1, 2024, to November 30, 2025 | 3.00% |
| December 1, 2025, to November 30, 2026 | 2.00% |
| December 1, 2026, to November 30, 2027 | 1.00% |
| December 1, 2027, and thereafter | 0.00% |

The proceeds from the sale of the 2019A Senior Bonds and 2019B Subordinate Bonds, as hereinafter defined, were used for the purposes of: (i) paying or reimbursing the costs of capital infrastructure improvements; (ii) providing capitalized interest for the Senior Bonds; (iii) funding a Reserve Fund securing the Senior Bonds; and; (iv) paying costs of issuance of the Senior and Subordinate Bonds.

The 2019A Senior Bonds, as hereinafter defined, are limited tax general obligations of the District secured by and payable solely from the Pledged Revenue, generally consisting of: (a) all District Property Tax Revenue, generally comprised of the revenues resulting from imposition by the Districts of the applicable Required Mill Levy pursuant to the Capital Pledge Agreement, including the portion

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NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

thereof constituting TC Increment (i.e., tax increment revenues) payable to the District by SURA in accordance with the Cost Sharing Agreement; ; (b) all Specific Ownership Tax Revenues; (c) all SURA Pledged Revenue (comprised of certain property tax increment revenues payable to the District in accordance with the Cost Sharing Agreement); (d) all PILOT Revenue (constituting certain payments in lieu of taxes) if any; and (e) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

The 2019A Senior Bonds Indenture requires the Districts impose a Required Mill Levy, as defined in the Amended and Restated Capital Pledge Agreement dated as of December 1, 2019, in an amount sufficient to pay the principal of and interest on the 2019A Senior Bonds, up to a maximum mill levy as follows: (a) with respect to District No. 1, 55.664 mills (Gallagher-Adjusted); (b) with respect to District No. 2 (the Issuing District): (i) prior to and including levy year 2023, 35 mills (Gallagher-Adjusted), and (ii) commencing with levy year 2024, 44 mills (Gallagher-Adjusted); and (c) with respect to District No. 3: (i) prior to and including levy year 2023, 20 mills (Gallagher-Adjusted), and (ii) commencing with levy year 2024, 29 mills (Gallagher-Adjusted). For the levy year 2019, District No. 1, the District and District No. 3, levied 55.664, 35.000 and 20.000 mills, respectively, for collection in 2020.

The 2019A Senior Bonds are also secured by amounts held in the Senior Reserve Fund, which was funded upon issuance of the 2019A Senior Bonds in the amount of the Required Reserve equal to \$7,046,563, and amounts accumulated in the Surplus Fund, if any. Pledged Revenue that is not needed to pay debt service on the 2019A Senior Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of \$9,079,000. The Surplus Fund is to be maintained for so long as any Bonds are outstanding. Amounts on deposit in the Surplus Fund (if any) on the final maturity date of the Bonds shall be applied to the payment of the Bonds. The availability of such amount shall be taken into account in calculating the Required Mill Levy to be imposed in 2048 for collection in 2049. The District has acknowledged that State Law places certain restrictions on the use of money derived from the Required Mill Levy.

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Outstanding bond principal and interest mature as follows:

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------|----------------------|----------------------|-----------------------|
| 2020 | \$ - | \$ 4,122,288 | \$ 4,122,288 |
| 2021 | - | 4,339,250 | 4,339,250 |
| 2022 | - | 4,339,250 | 4,339,250 |
| 2023 | - | 4,339,250 | 4,339,250 |
| 2024 | 1,105,000 | 4,339,250 | 5,444,250 |
| 2025-2029 | 15,585,000 | 20,499,100 | 36,084,100 |
| 2030-2034 | 22,210,000 | 16,449,500 | 38,659,500 |
| 2035-2039 | 24,965,000 | 10,116,500 | 35,081,500 |
| 2040-2044 | 8,395,000 | 5,946,750 | 14,341,750 |
| 2045-2049 | 18,530,000 | 3,554,500 | 22,084,500 |
| | <u>\$ 90,790,000</u> | <u>\$ 78,045,638</u> | <u>\$ 168,835,638</u> |

Subordinate Limited Tax General Obligation and Special Revenue Bonds, Series 2019B Dated December 19, 2019 (the 2019B Subordinate Bonds) with interest of 8.00%, payable annually from Subordinate Pledged Revenue on December 15, beginning on December 15, 2020. The 2019B Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Subordinate Pledged Revenue are those revenues available after the payment of all amounts due on the 2019B Subordinate Bonds, including funding the Senior Reserve Fund and the Surplus Fund as required in the Indenture. Unpaid interest on the 2019B Subordinate Bonds compounds annually on each December 15. The 2019B Subordinate Bonds are also subject to redemption prior to maturity, at the option of the District, on December 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

| <u>Date of Redemption</u> | <u>Redemption Premium</u> |
|--|---------------------------|
| December 1, 2024, to November 30, 2025 | 3.00% |
| December 1, 2025, to November 30, 2026 | 2.00% |
| December 1, 2026, to November 30, 2027 | 1.00% |
| December 1, 2027, and thereafter | 0.00% |

In the event that, on December 15, 2059 any amount of principal of or interest on the 2019B Subordinate Bonds remains unpaid after application of all Subordinate Pledged Revenue available therefor in accordance with the Subordinate Indenture, the 2019B Subordinate Bonds and the lien of the Subordinate Indenture securing payment thereof is to be deemed discharged.

Due to the uncertainty of the timing of the principal and interest payments on the 2019B Subordinate Bonds, a schedule of the timing of these payments is not available.

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NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Developer Advances

The District entered into an Operation Funding Agreement and a Facilities Funding and Acquisition Agreement with the Developer as follows:

Operation Funding Agreement (OFA)

On November 3, 2014, and amended on March 6, 2019, with an effective date of January 1, 2015, the District entered into an OFA with RC Superior, LLC. (the Developer). The OFA provides that the District will reimburse the Developer for any advances made to the District for operations and maintenance expenses for fiscal years 2015 through 2019, up to \$1,100,000, together with interest at a rate of 9% per annum. On December 9, 2019, with an effective date of January 1, 2015, the District entered into Amended and Restated Operation Funding Agreement with the Developer (Amended OFA) which amends and restates the OFA. The Amended OFA provides that the District will reimburse the Developer for any advances made to the District for operations and maintenance expenses for fiscal years 2015 through 2020, up to \$900,000, together with interest at a rate of 9% per annum.

The obligation of the Developer to advance funds under the Amended OFA expires on December 31, 2059. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to the Amended OFA on or before December 31, 2059, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full. The total amount advanced under the Amended OFA for the year ended December 31, 2019 was \$415,711. At December 31, 2019, the total amount advanced was \$1,078,188, plus accrued interest of \$191,357.

Facilities Funding and Acquisition Agreement (FFAA)

On November 3, 2014, with an effective date of January 1, 2014, the District entered into a FFAA with the Developer. The FFAA provides that the District will reimburse the Developer for any advances made to the District for organization expenses (Organization Expenses) and construction related expenses (Construction Expenses) associated with the costs of improvements to be provided by the District for the period commencing January 1, 2014 through December 31, 2017, up to the Annual Shortfall Amount for each budget year, as determined during the District's budget process. For budget year 2015, the estimated Annual Shortfall Amount was \$200,000.

For advances made for Organization Expenses, interest shall accrue from the date of organization of the District until paid at the rate nine percent (9%) per annum, compounded annually. For Construction Expenses, interest shall accrue on each Developer Advance from the date of deposit into the District's account until paid at the rate of nine percent (9%) per annum, compounded

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**NOTES TO FINANCIAL STATEMENTS
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annually. The Parties agree that payments by the District to the Developer shall credit first against accrued and unpaid interest and then to the principal amount due.

On October 9, 2018 the FFAA was amended (First Amendment) to change the Annual Shortfall Amount to a cumulative Annual Shortfall Amount (Cumulative Shortfall Amount) for the budget years 2015 through 2018 to the amount of \$19,147,234.

The District and Developer entered into a real estate contract (MOB Parking Structure) dated October 9, 2018 (PSA) where the District purchased a parking structure from the Developer in the amount of \$2,215,200. The PSA provides that this amount be added to the amounts payable under the FFAA. Reimbursement of costs under the FFAA is contingent upon the Town's approval that the cost of the parking structure are considered eligible costs under the Cost Sharing Agreement (see Note 6). On July 22, 2019, the Town approved reimbursement by the District of the purchase price of the MOB Parking Structure.

On March 6, 2019, with an effective date of January 1, 2014, the FFAA was amended (Second Amendment) to change the Cumulative Shortfall Amount to \$25,100,100 for budget years 2015 through 2019.

On December 1, 2019, with an effective date of January 1, 2014, the District entered into an Amended and Restated Facilities Funding and Acquisition Agreement (Restated FFAA) to change the Cumulative Shortfall Amount to \$60,000,000 for budget years 2014 through 2020.

In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to this Restated FFAA on or before December 31, 2054, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

The total amount advanced under the Restated FFAA for the year ended December 31, 2019 was \$10,661,225, including the cost of the MOB Parking Structure described above, and the District reimbursed the Developer \$33,408,021, including \$4,540,536 of accrued interest.

As of December 31, 2019, no amounts were outstanding under the Restated FFAA.

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NOTES TO FINANCIAL STATEMENTS

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Authorized Debt

On November 5, 2013, District voters approved debt authorization in the amount of \$1,305,000,000, at an interest rate not to exceed 9% per annum, for the construction of capital improvements, with an additional \$290,000,000 for refunding debt. The voters also authorized debt of \$145,000,000 each for the cost of operating and maintaining the District's systems and for intergovernmental agreements.

At December 31, 2019, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

| | Authorized November 5, 2013 | 2015 Series A & B Limited Tax GO Bonds | 2019A Limited Tax GO Bonds | 2019B Limited Tax GO Bonds | Authorized but Unissued at December 31, 2019 |
|----------------------------|-----------------------------------|--|----------------------------------|----------------------------------|---|
| Streets | \$ 145,000,000 | \$ 12,195,885 | \$ 49,991,322 | \$ 14,974,426 | \$ 67,838,367 |
| Parks and Recreation | 145,000,000 | 144,330 | 6,082,936 | 1,822,086 | 136,950,648 |
| Water | 145,000,000 | 2,092,785 | 4,051,277 | 1,213,522 | 137,642,416 |
| Sanitation/Storm | 145,000,000 | 9,622,000 | 5,875,553 | 1,759,966 | 127,742,481 |
| Public Transportation | 145,000,000 | - | - | - | 145,000,000 |
| Mosquito Control | 145,000,000 | - | - | - | 145,000,000 |
| Traffic and Safety | 145,000,000 | - | - | - | 145,000,000 |
| Fire Protection | 145,000,000 | - | - | - | 145,000,000 |
| Television Relay | 145,000,000 | - | - | - | 145,000,000 |
| Operations and Maintenanc | 145,000,000 | - | - | - | 145,000,000 |
| Intergovernmental Agreeeme | 145,000,000 | - | - | - | 145,000,000 |
| Refundings | 290,000,000 | - | 2,293,903 | - | 287,706,097 |
| | <u>\$ 1,885,000,000</u> | <u>\$ 24,055,000</u> | <u>\$ 68,294,991</u> | <u>\$ 19,770,000</u> | <u>\$ 1,772,880,009</u> |

The Service Plan limits the total principal amount of obligations the District may issue to \$145,000,000. Additionally, the Maximum Debt Mill levy is 50.000 mills while the aggregate District's debt exceeds fifty percent (50%) of the District's assessed valuation. With prior Town Board consent, for the portion of any aggregate District's Debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

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NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 6 – District Agreements

Cost Sharing Agreement

On October 18, 2013, the Districts entered into a Cost Sharing Agreement (CSA) with the Superior Urban Renewal Authority (SURA) and RC Superior, LLC (the Developer). The CSA provides that tax increment revenues received by the SURA, net of Rocky Mountain Fire Protection District and collection fees, be disbursed to the District as pledged revenues for any bonds or other financial obligations issued by the District.

Capital Pledge Agreement

On April 14, 2015, the District issued \$17,055,000 Limited Tax General Obligation Senior Bonds, Series 2015A and \$7,000,000 Limited Tax General Obligation Subordinate Bonds, Series 2015B (the Bonds). In connection with the Bonds, the District and District No. 1 entered into a Capital Pledge Agreement dated April 1, 2015 whereby District No. 1 agrees to impose the District No. 1 Required Mill Levy, generally equal to 50 mills, subject to the limitations and adjustments described in the 2015 Bond Indenture (see Note 5), and assign and remit to the District all revenues resulting from the imposition of the District No. 1 Required Mill Levy and Specific Ownership Taxes, as well as certain other revenues of District No. 1 to pay a portion of the principal of and interest on the Bonds commencing in 2016 and each year thereafter so long as the Bonds remains outstanding.

On December 19, 2019, the District issued \$90,790,000 Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2019A, and \$19,770,000 Subordinate Limited Tax General Obligation and Special Revenue Bonds, Series 2019B (the 2019 Bonds). In connection with the Bonds, the Districts entered into an Amended and Restated Capital Pledge Agreement dated December 1, 2019 whereby the Districts agree to impose up to a maximum mill levy as follows: (a) with respect to District No. 1, 55.664 mills (Gallagher-Adjusted); (b) with respect to District No. 2 (the Issuing District): (i) prior to and including levy year 2023, 35 mills (Gallagher-Adjusted), and (ii) commencing with levy year 2024, 44 mills (Gallagher-Adjusted); and (c) with respect to District No. 3: (i) prior to and including levy year 2023, 20 mills (Gallagher-Adjusted), and (ii) commencing with levy year 2024, 29 mills (Gallagher-Adjusted); subject to the limitations and adjustments described in the 2019A Senior and 2019B Subordinate Bond Indenture (see Note 5), and assign and remit to the District all revenues resulting from the imposition of the District No. 1 and District No. 3 Required Mill Levy and Specific Ownership Taxes, as well as certain other revenues of District No. 1 and District No. 3 to pay a portion of the principal of and interest on the Bonds commencing in 2020 and each year thereafter so long as the Bonds remains outstanding.

Further, pursuant to the Urban Renewal Act and Superior Urban Renewal Plan, until the tax increment expiration date, the District Property Tax Increment Revenues are payable to SURA and that, pursuant to the Cost Sharing Agreement, SURA has agreed to disburse the District Property Tax

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Increment Revenues on a monthly basis to such persons or entities as may be designated by the Designated Representative (as defined in the Cost Sharing Agreement). The Pledged Revenues, including the District Property Tax Increment Revenues attributable to the District No. 1 and District No. 3 Required Mill Levy, are pledged by District No. 1 and District No. 3 to the District for the payment of principal and interest on the Bonds.

Facilities Funding, Construction and Operation Agreement (FFCO Agreement)

On January 1, 2015, the Districts entered into a Facilities Funding, Construction and Operation Agreement (FFCO Agreement). The FFCO Agreement entirely replaced and superseded the Memorandum of Understanding (the District MOU) dated December 13, 2013, whereby the Districts agreed that District No. 1 would provide for the construction, design, operation and maintenance of the District Improvements, as well as the overall administration of the Districts.

The FFCO Agreement designates the District as the Operating District which will operate, maintain, finance and construct (including funding thereof) certain of the Public Improvements and District No. 1 and District No. 3 will contribute to those costs. District No. 1 and District No. 3 shall remit to the District their respective property tax revenue, specific ownership taxes and any other legally available revenue.

Additionally, the Districts agree that the District assumes the obligations of District No.1 with respect to Developer Advances made pursuant to the 2013 – 2014 Operation Funding Agreement dated December 11, 2013 between District No. 1 and the Developer and the Facilities Funding and Acquisition Agreement dated December 11, 2013 between District No. 1 and the Developer (see Note 5).

Public Improvement Fees

Pursuant to the Declaration of Covenants Imposing and Implementing the Superior Town Center Public Improvement Fees and Payment in Lieu of Taxes, recorded on April 14, 2015, against certain property within the District, the owner of the subject property is obligated to pay public improvement fees (PIF) to the District. Revenues derived from the PIF are pledged for the payment of the 2015 Bonds (see Note 5). The PIF is the amount payable annually for years 2015 through 2044.

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NOTES TO FINANCIAL STATEMENTS
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Future amounts, less the amount of District property taxes paid by the owner on the property for the applicable year are as follows:

| <u>Year</u> | <u>PIF</u> |
|-------------|----------------------|
| 2020 | \$ 729,588 |
| 2021 | 746,070 |
| 2022 | 762,882 |
| 2023 | 780,029 |
| 2024 | 797,520 |
| 2025-2029 | 4,545,970 |
| 2030-2034 | 5,227,802 |
| 2035-2039 | 5,436,875 |
| 2040-2044 | 5,436,875 |
| | <u>\$ 24,463,611</u> |

In 2019, The District did not receive any payments as the property taxes paid by the owner exceeded the scheduled PIF amount.

Note 7 – Net Position

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of bonds that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2019, the District had net investment in capital assets calculated as follows:

| | |
|----------------------------------|---------------------|
| Net Investment in Capital Assets | |
| Capital assets, net | <u>\$ 2,145,975</u> |

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

STC METROPOLITAN DISTRICT NO. 2

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

The District had restricted net position as of December 31, 2019 as follows:

Restricted Net Position - Emergency Reserves \$ 4,300

The District had restricted net position of \$4,300 as required by Article X, Section 20 of the Constitution of the State of Colorado (See Note 12).

The District has a deficit in unrestricted net position. The deficit is a result of certain debt and operating related expenses funded with bond proceeds and developer advances.

Note 8 – Related Party

The members of the Board of Directors of the District may be or have been employees, owners of, or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District.

Note 9 – Economic Dependency

The District has not yet established a revenue base sufficient to pay the District's operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon actions by the Developer to advance funds for operations of the District.

Note 10 – Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees, or natural disasters.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for general and automobile liability, public officials, auto physical damage and worker's compensation coverage. In the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds, which

STC METROPOLITAN DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

the Pool determines are not needed for purposes of the Pool, may be returned to the members pursuant to a distribution formula.

Note 11 – Interfund Transfers

The transfer of \$35,352,702 from the Capital Projects Fund to the Debt Service Fund was related to the Senior Reserve Fund, capitalized interest for the 2019A Senior Bonds and funds used to refund the 2015 Bonds, funded from the proceeds of the 2019A Senior Bonds.

Note 12 – Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

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

On November 5, 2013, the voters approved the District to increase property taxes \$2,000,000 annually for the purpose of paying the District's operations, maintenance expenses and capital expenses, without regard to any spending, revenue raising or other limitation contained within Article X, Section 20 of the Colorado Constitution or any other property tax limitation or law.

Additionally, the voters authorized the District to collect, retain and spend all revenues received by the District during 2014 and all subsequent years as voter-approved revenue changes without regard to any spending, revenue raising or other limitation.

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

SUPPLEMENTARY INFORMATION

STC METROPOLITAN DISTRICT NO. 2

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
DEBT SERVICE FUND**

**For the Year Ended December 31, 2019
(With Comparative Totals for the Year Ended December 31, 2018)**

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget - Positive (Negative) | 2018 Actual |
|--|----------------------------|-------------------------|---------------------------|---|------------------------|
| Revenues | | | | | |
| Property Taxes | \$ 618 | \$ 618 | \$ 625 | \$ 7 | \$ 570 |
| SURA Property Tax Increment | 1,800,000 | 1,800,000 | 1,790,393 | (9,607) | 1,460,972 |
| Specific Ownership Tax | 4,577 | 4,577 | 15,231 | 10,654 | 15,126 |
| Transfer from District No. 1 | 136,093 | 136,093 | 202,048 | 65,955 | 86,132 |
| Transfer from District No. 3 | 9,652 | 9,652 | 9,592 | (60) | 2,305 |
| Net investment income | 18,000 | 18,000 | 90,152 | 72,152 | 57,765 |
| Total Revenues | 1,968,940 | 1,968,940 | 2,108,041 | 139,101 | 1,622,870 |
| Expenditures | | | | | |
| Debt service | | | | | |
| Principal | 300,000 | 300,000 | 22,795,000 | (22,495,000) | 1,260,000 |
| Interest | 1,006,500 | 1,006,500 | 4,601,947 | (3,595,447) | 993,900 |
| Miscellaneous | 500 | 500 | - | 500 | - |
| Treasurer's Fees | 28,610 | 28,610 | 46 | 28,564 | 67 |
| Paying Agent Fees | 4,000 | 4,000 | 4,000 | - | 4,000 |
| Total Expenditures | 1,339,610 | 1,339,610 | 27,400,993 | (26,061,383) | 2,257,967 |
| Excess Revenues Over (Under) Expenditures | 629,330 | 629,330 | (25,292,952) | (25,922,282) | (635,097) |
| Other Financing Sources | | | | | |
| Transfers In | - | - | 35,352,702 | 35,352,702 | 982,427 |
| Net Change in Fund Balance | 629,330 | 629,330 | 10,059,750 | 9,430,420 | 347,330 |
| Fund Balance - Beginning | 2,077,964 | 2,077,964 | 3,248,690 | 1,170,726 | 2,901,360 |
| Fund Balance - Ending | \$ 2,707,294 | \$ 2,707,294 | \$ 13,308,440 | \$ 10,601,146 | \$ 3,248,690 |

See the Independent Auditor's Report

STC METROPOLITAN DISTRICT NO. 2

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended December 31, 2019
(With Comparative Totals for the Year Ended December 31, 2018)

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget - Positive (Negative) | 2018 Actual |
|---|--------------------|--------------------|----------------------|---|--------------------|
| Revenues | | | | | |
| Net Investment Income | \$ 1,000 | \$ 1,000 | \$ 31,970 | \$ 30,970 | \$ 4,990 |
| Expenditures | | | | | |
| Current | | | | | |
| Management | 2,500 | 2,500 | - | 2,500 | 96 |
| Accounting | 5,000 | 5,000 | 8,914 | (3,914) | 6,233 |
| Legal | 55,000 | 55,000 | 42,520 | 12,480 | 58,470 |
| Miscellaneous | 1,000 | 1,000 | - | 1,000 | - |
| Capital Outlay | | | | | |
| Construction Expenses | 5,200,000 | 5,200,000 | 10,734,092 | (5,534,092) | 7,341,408 |
| Developer Reimbursement | | | | | |
| Principal | - | - | 28,867,485 | (28,867,485) | - |
| Interest | - | - | 4,540,536 | (4,540,536) | - |
| Costs of Issuance | - | - | 2,998,747 | (2,998,747) | - |
| Total Expenditures | 5,263,500 | 5,263,500 | 47,192,294 | (41,928,794) | 7,406,207 |
| Excess Revenues Over (Under) | | | | | |
| Expenditures | (5,262,500) | (5,262,500) | (47,160,324) | (41,897,824) | (7,401,217) |
| Other Financing Sources (Uses) | | | | | |
| Bond Proceeds | - | - | 110,560,000 | 110,560,000 | - |
| Bond Premium | - | - | 5,640,591 | 5,640,591 | - |
| Developer Advances | 5,000,000 | 5,000,000 | 10,661,225 | 5,661,225 | 8,045,532 |
| Transfers Out | - | - | (35,352,702) | (35,352,702) | (982,427) |
| Total Other Financing Sources (Uses) | 5,000,000 | 5,000,000 | 91,509,114 | 86,509,114 | 7,063,105 |
| Net Change in Fund Balance | (262,500) | (262,500) | 44,348,790 | 44,611,290 | (338,112) |
| Fund Balance - Beginning | 279,612 | 279,612 | - | (279,612) | 338,112 |
| Fund Balance - Ending | \$ 17,112 | \$ 17,112 | \$ 44,348,790 | \$ 44,331,678 | \$ - |

See the Independent Auditor's Report

OTHER INFORMATION

STC METROPOLITAN DISTRICT NO. 2

**Schedule of Future Debt Service Requirements
December 31, 2019**

**\$90,790,000 Limited Tax General Obligation and Special Revenue
Refunding and Improvement Bonds
Series 2019A**

| <u>Year</u> | <u>Rate</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|-------------|----------------------|----------------------|-----------------------|
| 2020 | - | \$ - | \$ 4,122,288 | \$ 4,122,288 |
| 2021 | - | - | 4,339,250 | 4,339,250 |
| 2022 | - | - | 4,339,250 | 4,339,250 |
| 2023 | - | - | 4,339,250 | 4,339,250 |
| 2024 | 3.000 | 1,105,000 | 4,339,250 | 5,444,250 |
| 2025 | 3.000 | 2,230,000 | 4,306,100 | 6,536,100 |
| 2026 | 4.000 | 3,075,000 | 4,239,200 | 7,314,200 |
| 2027 | 4.000 | 3,200,000 | 4,116,200 | 7,316,200 |
| 2028 | 4.000 | 3,470,000 | 3,988,200 | 7,458,200 |
| 2029 | 4.000 | 3,610,000 | 3,849,400 | 7,459,400 |
| 2030 | 5.000 | 3,905,000 | 3,705,000 | 7,610,000 |
| 2031 | 5.000 | 4,100,000 | 3,509,750 | 7,609,750 |
| 2032 | 5.000 | 4,455,000 | 3,304,750 | 7,759,750 |
| 2033 | 5.000 | 4,680,000 | 3,082,000 | 7,762,000 |
| 2034 | 5.000 | 5,070,000 | 2,848,000 | 7,918,000 |
| 2035 | 5.000 | 5,325,000 | 2,594,500 | 7,919,500 |
| 2036 | 5.000 | 5,750,000 | 2,328,250 | 8,078,250 |
| 2037 | 5.000 | 6,035,000 | 2,040,750 | 8,075,750 |
| 2038 | 5.000 | 6,500,000 | 1,739,000 | 8,239,000 |
| 2039 | 5.000 | 1,355,000 | 1,414,000 | 2,769,000 |
| 2040 | 5.000 | 1,475,000 | 1,346,250 | 2,821,250 |
| 2041 | 5.000 | 1,550,000 | 1,272,500 | 2,822,500 |
| 2042 | 5.000 | 1,685,000 | 1,195,000 | 2,880,000 |
| 2043 | 5.000 | 1,770,000 | 1,110,750 | 2,880,750 |
| 2044 | 5.000 | 1,915,000 | 1,022,250 | 2,937,250 |
| 2045 | 5.000 | 2,010,000 | 926,500 | 2,936,500 |
| 2046 | 5.000 | 2,170,000 | 826,000 | 2,996,000 |
| 2047 | 5.000 | 2,280,000 | 717,500 | 2,997,500 |
| 2048 | 5.000 | 2,450,000 | 603,500 | 3,053,500 |
| 2049 | 5.000 | 9,620,000 | 481,000 | 10,101,000 |
| | | <u>\$ 90,790,000</u> | <u>\$ 78,045,638</u> | <u>\$ 168,835,638</u> |

STC METROPOLITAN DISTRICT NO. 2

May 22, 2020

Dazio & Associates, PC
8200 S. Quebec St., Suite A3259
Centennial, Colorado 80112

This representation letter is provided in connection with your audit of the financial statements of STC Metropolitan District No. 2, which comprise the respective financial position of the governmental activities and each major fund as of December 31, 2019, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of May 22, 2020, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 22, 2020, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

- 8) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 9) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

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

Government-specific

- 18) We agree with the findings of the specialists, Manhard Consulting Ltd. and Ranger Engineering, LLC, in their reports regarding certification of costs related to constructed public improvements associated with the District and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with

respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 21) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements and related notes [and schedule of expenditures of federal awards]. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 28) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 29) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

- 30) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 31) The financial statements properly classify all funds and activities in accordance with [GASBS No. 34](#) , as amended, and [GASBS No. 84](#) .
- 32) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 33) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 34) Investments are properly valued.
- 35) Provisions for uncollectible receivables have been properly identified and recorded.
- 36) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 37) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 38) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 39) Deposits and investments are properly classified as to risk and are properly disclosed.
- 40) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 41) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 42) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 43) With respect to the supplementary information as listed in the table of contents on which an in-relation-to opinion is issued the (Supplementary Information):
 - a) We acknowledge our responsibility for presenting the Supplementary Information in accordance with accounting principles generally accepted in the United States of America, and we believe the Supplementary Information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the Supplementary Information have not changed from those used in the prior period, and we have disclosed to you any significant

assumptions or interpretations underlying the measurement and presentation of the supplementary information.

- b) If the Supplementary Information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signed _____

Signed _____

Title: District Manager

Title: Accountant for the District



| | |
|-----------------------|------------|
| Invoice Date | 04/02/2020 |
| Funds Due Date | 05/28/2020 |

STC METROPOLITAN DISTRICT #2
 C/O SIMMONS & WHEELER
 304 INVERNESS WAY SOUTH STE 490
 ENGLEWOOD CO 80112

Issue SM9A
 STC METRO DIST #2 LTD TAX GO &
 SPEC REV RFDG & IMPRV BDS SRS
 2019 A DATED 12/19/2019

Issue Payment Date 06/01/2020

| | |
|----------------------------|-----------------|
| Registered Interest | \$ 1,952,662.50 |
| Matured Bonds | \$ 0.00 |
| Called Bonds | \$ 0.00 |
| Principal Reduction | \$ 0.00 |
| Coupon Interest | \$ 0.00 |
| TOTAL DUE | \$ 1,952,662.50 |

**Please return a copy of this notice with your remittance.
 Payments by check are due 15 days prior to Funds Due Date.**

Wire Instructions:
 UMB BANK NA
 BNF NAME: TRUST OPERATIONS
 ABA: 101 000 695
 BNF A/C: 9800006823
 ATTN: JACQUE SCHWARTZ - SM9A

ACH Instructions:
 UMB BANK NA
 BNF NAME: TRUST OPERATIONS
 ABA: 101 000 695
 BNF A/C: 9801018981
 ATTN: JACQUE SCHWARTZ - SM9A

Account Officer: JACQUE SCHWARTZ
Phone: 8168607520
Email: JACQUE.SCHWARTZ@UMB.COM

TRACT H PUBLIC IMPROVEMENT REIMBURSEMENT AGREEMENT

This **TRACT H PUBLIC IMPROVEMENT REIMBURSEMENT AGREEMENT** (“**Agreement**”) is made and entered into this ____ day of _____, 2020, by and between **STC METROPOLITAN DISTRICT NO. 2**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), **RC SUPERIOR, LLC**, a Delaware limited liability company (the “**Developer**”), and the **TOWN OF SUPERIOR, COLORADO**, a Colorado statutory municipal corporation (the “**Town**”) (individually, each a “**Party**” and collectively the “**Parties**”).

RECITALS

A. In accordance with the Service Plan for the District, approved by the Board of Trustees of the Town on May 13, 2013 (as may be amended and restated from time to time, the “**Service Plan**”), the District is authorized by Title 32, Article 1, Part 1, C.R.S., to furnish certain public facilities and services, including, but not limited to, streets, water, sanitation, parks and recreation, traffic and safety control, transportation, mosquito control, fire protection, and television relay and translation improvements (the “**Improvements**”) to benefit property within the District’s boundaries, and/or service area, located within the Town.

B. The Developer is the developer of certain property located within the District and the Town.

C. Tract H is located within the District and was conveyed from the Developer to the Town by Quit Claim Deed, dated December 8, 2017 (“**Tract H**”).

D. The Town has incurred costs related to the design, testing, engineering, and construction of certain public Improvements more particularly described on **Exhibit A** attached hereto and incorporated herein by this reference (the “**Tract H Public Improvements**”), together with the related consultant and management fees associated with the construction of the Tract H Public Improvements (the “**Construction Related Expenses**”).

E. The Tract H Public Improvements are Improvements under the Service Plan and the costs associated with the Tract H Public Improvements are “**Eligible Costs**” pursuant to that certain Cost Sharing Agreement dated October 18, 2013 among the Superior Urban Renewal Authority (“**SURA**”), the District and the Developer (“**Cost Sharing Agreement**”), which provides that SURA distributes certain pledged revenues to the District for such “**Eligible Costs**”.

F. The District previously entered into that certain Amended and Restated Facilities Funding and Acquisition Agreement dated December 1, 2019, with an effective date of January 1, 2014 (the “**FFAA**”), which sets forth the District’s reimbursement of costs incurred by the Developer for Improvements. The FFAA anticipated that the District would issue bonds, the

proceeds of which may be utilized, in part, to reimburse the Developer for Construction Related Expenses, defined as funds related to the design, testing, engineering, and construction of the Improvements constructed or funded by the Developer in accordance therewith.

G. On December 19, 2019 the District issued its Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, in the principal amount of \$90,790,000 (the “**Series 2019A Bonds**”) and its Subordinate Limited Tax General Obligation and Special Revenue Bonds in the principal amount of \$19,770,000 (the “**Series 2019B₍₃₎ Bonds**” and with the Series 2019A Bonds, the “**Bonds**”).

H. Pursuant to the Colorado Constitution, Article XIV, Section 18(2) (a), and Section 29-1-203, C.R.S., governmental entities may cooperate and contract with each other to provide any function, service or facility lawfully authorized to each, including, but not limited to, the sharing of costs.

I. The District agrees to reimburse the Town in an amount not to exceed **\$919,577.88 – [to be confirmed]** (the “**Maximum Reimbursement Amount**”) for the Construction Related Expenses associated with the Tract H Public Improvements in accordance with and subject to the requirements of this Agreement.

J. The Developer acknowledges it is a benefit to the District for the Tract H Public Improvements to be constructed and consents to the District’s use of proceeds from the Bonds to pay the Town for the Construction Related Expenses up to the Maximum Reimbursement Amount upon satisfaction of the provisions of this Agreement.

K. The District, the Developer and the Town desire to set forth their respective rights, obligations, and procedures with respect to the District’s reimbursement to the Town of the Tract H Public Improvements, as provided herein.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. Construction of Tract H Public Improvements. The Town affirms it has designed, constructed, and completed the Tract H Public Improvements in full conformance with all applicable design standards and specifications as established and in use by the Town and other entities with proper jurisdiction pursuant to the provisions of this Agreement.

2. Certification of Construction Costs. The Parties hereby agree that a condition precedent to the District’s obligation to reimburse the Town for Construction Related Expenses shall be the District’s receipt of a written certification of an independent engineer engaged by the District that the Construction Related Expenses of the Tract H Public Improvements are reasonable and comparable to the costs of similar public improvements constructed in the local community, and the review and approval of the independent engineer and the District’s accountant that the Construction Related Expenses are reimbursable (“**Certified Construction Costs**”) based on the copies of the invoices, bills, and requests for payment provided to the

District pursuant to this Section. Notwithstanding, the actual Construction Related Expenses incurred by the Town may exceed the Certified Construction Costs. The Town shall provide the District the following documents to calculate the Certified Construction Costs:

- a. Lien waivers and indemnifications from each contractor verifying that all amounts due to contractors, subcontractors, material providers or suppliers have been paid in full, in a form acceptable to the District;
- b. Copies of all contracts, pay requests, change orders, invoices and evidence of payment of same, the final AIA payment form (or similar form approved by the District), canceled checks, and any other requested documentation to verify the amount of reimbursable Construction Related Expenses requested; and
- c. Such other documentation, records and verifications as may reasonably be required by the District, including but not limited to, evidence of compliance with the design standards and specifications as established and in use by the City and other entities with proper jurisdiction.

3. Reimbursement. Subject to the Town’s satisfaction of the provisions of Section 2 and all other applicable provisions hereof, the District agrees to make one (1) repayment to the Town for the Certified Construction Costs, not to exceed the Maximum Reimbursement Amount.

4. District Limitations. It is hereby agreed and acknowledged that this Agreement and the obligations of the District contemplated in this Agreement are subject to annual appropriation and shall not be deemed to be multiple-fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution. By execution of this Agreement, the Town acknowledges and consents to all limitations in the District’s Service Plan.

5. Acknowledgement. The Parties acknowledge and agree that the Developer has a priority right to reimbursement per the FFAA. Notwithstanding such right, the Developer acknowledges and agrees it is a benefit to the Developer, the District and its constituents for the Tract H Public Improvements to be constructed. Irrespective of the Developer’s priority right for reimbursement under the FFAA, the Developer hereby consents to the District’s use of Bond proceeds to reimburse the Town for Certified Construction Costs, but not to exceed the Maximum Reimbursement Amount, for the construction of the Tract H Public Improvements in accordance with the terms of this Agreement. Other than for the payment of the Certified Construction Costs, the Developer’s rights under the FFAA shall not be modified or affected in any other way by this Agreement.

6. Representations. The Town hereby represents and warrants to and for the benefit of the District as follows:

- a. The Town has the full power and legal authority to enter into this Agreement.
- b. Upon execution, this Agreement will have been duly authorized by the Town Board of Trustees as the legal, valid and binding obligation of the Town, and is enforceable as to the Town in accordance with its terms.

c. The person executing this Agreement on behalf of the Town is duly authorized and empowered to execute this Agreement on behalf of the Town.

The foregoing representations and warranties are made as of the date hereof and shall be deemed continually made by the Town to the District for the entire term of this Agreement.

7. Term; Repose. The term of this Agreement shall begin as of the date first written above and shall continue through the full performance of the Parties obligations with respect to completion and provision of documentation relative to the Tract H Public Improvements and the reimbursement by the District to the Town for the Tract H Public Improvements. Notwithstanding, the District shall not be obligated to the Town for Construction Related Expenses incurred by the Town, but not invoiced (as evidenced by the delivery of the documents described in Section 2) to the District within one year of the date incurred. Upon the completion of the requirements in Section 2, the District will reimburse the Town in one (1) repayment of the Construction Related Expenses, not to exceed the Maximum Reimbursement Amount.

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: STC Metropolitan District No. 2
c/o Special District Management Services
141 Union Boulevard, Suite 150
Lakewood, CO 80228
Attn: Peggy Ripko
Phone: 303-987-0835
Email: pripko@sdmsi.com

With a copy to: McGeady Becher P.C.
450 17th Avenue, Suite 400
Denver, CO 80203
Attn: Megan Becher
Phone: 303-592-4380
Email: mbecher@specialdistrictlaw.com

To Developer: RC Superior, LLC
c/o Ranch Capital, LLC
11452 El Camino Real, Suite 120
San Diego, CA 92130
Attn: Bill Jencks
Phone: 858-523-1799
Email: bjencks@ranchcapital.com

With a copy to: Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, CO 80203
Attn: James L. Kurtz-Phelan
Phone: 303-592-8323
Email: jkurtzphelan@spencerfane.com

To Town: Town of Superior, Colorado
124 E. Coal Creek Drive
Superior, CO 80027
Attn: Matthew G. Magley, Town Manager
Phone: 303-499-3675
Email: mattm@superiorcolorado.gov

With a copy to: Hoffmann, Parker, Wilson & Carberry, P.C.
511 16th Street, Suite 610
Denver, CO 80202
Attn: Kendra Carberry
Phone: 303-951-2095
Email: klc@hpwclaw.com

All notices, demands, requests or other communications shall be effective upon such personal delivery, one (1) business day after being deposited with FedEx or other nationally recognized overnight air courier service, on the date of transmission if sent by electronically-confirmed 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 or contact information.

9. Assignment. The Town 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 ineffectual.

10. 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, Town, and Developer 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, Town, and Developer shall be for the sole and exclusive benefit of the District, Town, and Developer.

11. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party(ies) shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party(ies) in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

12. 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 the County of Boulder, Colorado.

13. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted successors and assigns.

14. 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.

15. 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.

16. 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.

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

18. 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, Town, or Developer unless the same is in writing and duly executed by the Parties hereto.

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

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO TRACT H
PUBLIC IMPROVEMENT REIMBURSEMENT AGREEMENT]**

IN WITNESS WHEREOF, the Parties have executed this Tract H Public Improvement Reimbursement Agreement as of the day and year first set forth above.

STC METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By: _____
President

Attest:

Secretary

RC SUPERIOR, LLC, a Delaware limited liability company

By: Superior Town Center ASLI VII Holdings, LLC, a Delaware limited liability company, its sole Member
By: Avanti Strategic Land Investors VII, L.L.L.P., a Delaware limited liability limited partnership, its sole Member
By: Avanti Properties Group II, L.L.L.P., a Delaware limited liability limited partnership, its Managing General Partner
By: Avanti Management Corporation, a Florida corporation, its sole General Partner

By: _____
Name: _____
Title: _____

TOWN OF SUPERIOR, COLORADO, a Colorado statutory municipal corporation

By: _____
Name: Matthew G. Magley
Title: Town Manager

EXHIBIT A
TRACT H PUBLIC IMPROVEMENTS

[TO BE ATTACHED]

EXHIBIT B

Certification of Town

1. Pursuant to the requirements of Section 8-17.5-102(1), C.R.S., the Developer hereby certifies to the District that the Developer 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 Town 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 Town 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 Town that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.
3. The Town 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 Town 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 Town obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Town shall:
 - (a) Notify the subcontractor and the District within three (3) days that the Town 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 Town shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.
6. The Town 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 Town violates any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Agreement immediately and the Town 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 Town to the Colorado Secretary of State, as required by law.

Document Retention Policy

Types of Documents

In representing you we will or may take possession of, create, and/or keep various types of documents. These consist of documents you provide to us, documents which constitute the District's official public record, and internal documents we create to assist us in providing services to you.

Documents You Provide to Us

It is our policy to copy and return original documents you provide to us as soon as practicable. Exceptions to this policy are original documents which should be kept as part of the District's official public record, instances where we must have an original document to represent you, or cases where we have affirmatively agreed retain a document for safekeeping.

The District's Record

As a part our engagement, we will maintain the District's official public Record (the "**Record**"). The Record is a highly useful and detailed compilation of documents reflecting the official actions of the District and serves multiple functions. First, it collects those documents which the public is entitled to inspect and copy under various state and federal public records and freedom of information statutes. Second, it organizes the records of the District – such as its contracts, land and title records, and easements - in a manner which is useful in conducting the ongoing business of the District. Third, the Record helps expedite the District's annual audit process. Fourth, in the event you should change legal counsel or employ in-house counsel, the Record will enable that counsel to understand the status and assume representation of the District with maximum efficiency.

The Record includes the District's organizational documents, fully-executed agreements which are still in effect, rules, regulations, resolutions adopted by the District, official minutes books, meeting notices, agendas, insurance policies, District maps, election records, bond documents, audit documents, and many more. A comprehensive list of documents comprising the Record is available from us at any time upon request.

Creating and maintaining the Record is an important and complex task, and you agree to pay our actual costs and hourly fees associated with doing this.

Supplemental Documents

All other documents created in course of representing you are referred to as Supplemental Documents. These include our notes, drafts, memoranda, worksheets, electronic communications, and other electronic documents stored in various media or file servers.

Documents We Retain

Except as provided in this Document Retention Policy or an amendment thereto, we will keep the Record and any original documents accepted by us for safekeeping so long as we represent you.

Delivery of the Record

Once a matter is concluded or our representation terminated, we deliver the original, printed Record, together with any original documents we have accepted for safekeeping, to you or the District's designee, provided our fees and costs have been paid in full. If you do not designate someone to receive these records, we will deliver them to a then-current officer or director of the District. If we are unable to deliver these documents because of your failure to designate a recipient, we may retain, destroy, or otherwise dispose of them in manner which assures their continued confidentiality within thirty (30) days following the conclusion of a matter or the termination of our representation.

We will also confidentially destroy the Record of any District in our possession if a final order of dissolution of the District is entered.

All other documents, including all Supplemental Documents, are routinely, periodically, confidentially, and permanently purged by us once they are no longer useful to us in providing services to you.



PROPOSAL SUBMITTED TO: Special District Management Services, Inc.
ADDRESS: 141 Union Boulevard, Ste 150
 Lakewood, CO 80228
CONTACT: Peggy Ripko
PHONE: 303-987-0835 x 210
EMAIL: pripko@sdmsi.com
DATE: Friday, May 29, 2020
JOB NAME AND ADDRESS: Superior Town Center MD, 5 Superior Dr., Superior, CO 80027

Sweep – Power Wash – Scrub Garage

- **Sweep** **\$340 /svc**
 - Blow along walls, around columns and wherever the sweeper cannot reach.
 - Sweep all parking spots and drive lanes.
 - 6”7” Clearance

- **Power Washing & Scrubbing** **\$5,508 /svc**
 - **Power Washing – Garage (\$3,105 /svc)**
 - Power Wash along walls, around columns and wherever the sweeper cannot reach.
 - Power Scrub all parking spots and drive lanes.
 - 8’2” Clearance
 - **Power Scrubbing – Garage (\$2,430 /svc)**
 - Power Wash along walls, around columns and wherever the sweeper cannot reach.
 - Power Scrub all parking spots and drive lanes.
 - 8’2” Clearance

Upon signing above, I issue my personal guarantee of payment, which will be remitted upon invoice. Additional charges of 3.5% for credit card usage. All invoices are due and payable upon receipt. In the event the amount of an invoice is not paid within 30 days from the date of the invoice, the account shall be deemed to be in default and Contractor reserves the right to cease any further work until the account is brought current. Any invoice not paid within 30 days from the date of the invoice shall accrue interest at the maximum lawful rate of 1-1/2% per month, not to exceed 19% per annum. Owner/Customer agrees to indemnify the Contractor harmless from any costs or expenses incurred in the collection of the defaulted account, or in any part thereof, including all reasonable attorney fees, court cost, etc. All services in Denver County subject to Denver County Tax



Sweeping

- Sweep and Back Pack Blow all areas.
- Back pack blower shall be used for removal of all debris from sidewalks, corners, curbs, around trash enclosures and loading docks-- anywhere that the sweeping truck can't access.
- Sweeping services should be based on the above schedule and should include:
- Equipment used will be capable of removing all trash, debris, and sand by means of air vacuum with dust control.
- All areas not accessible to mechanical equipment will be blown free of trash and debris by hand held blowers (back pack blowers).
- Price includes full mobilization and labor.
- Management will make every effort to have as many vehicles removed from the property during sweeping schedules. Any vehicles left in the lot will be swept around. If it should be necessary to return to the property due to excessive vehicles, an additional charge may be applied or the service will be completed on the next scheduled date.
- FIRE ALARM SYSTEM MUST BE TURNED OFF BEFORE/DURING SERVICE DUE TO POSSIBLE DUST.
- EXHAUST SYSTEM MUST BE TURNED ON BEFORE/DURING SERVICE DUE TO POSSIBLE DUST.

Power Washing

- Equipment will be a 3500 psi, hot water, trailer mounted machine with a 500 gallon water tank.
- Additional on-site water required.
- Narrow degree tips, rotating wash heads and walk behind spray heads will be used.
- Power Washing services should be based on the above schedule and should include:
- Sidewalks
- Curbs
- Along Walls and Columns
- Anywhere that the scrubber cannot access.
- Includes basic detergent for removal/reduction of basic oil and residue marks. (pre-treat for gum/stains)
- Additional chemical available at an additional charge. (Paints, concrete residue, and oils.)
- Entrances will be protected by "water socks" and/or water will be redirected to reduce water from penetrating property entrances.
- Management will make every effort to have as many vehicles removed from the service area during power washing schedules. We will not power wash into or around vehicles. If it should be necessary to return to the property due to excessive vehicles, an additional charge may be applied.
- Price includes full mobilization and labor.
- FIRE ALARM SYSTEM MUST BE TURNED OFF BEFORE/DURING SERVICE DUE TO POSSIBLE DUST.
- EXHAUST SYSTEM MUST BE TURNED ON BEFORE/DURING SERVICE DUE TO POSSIBLE DUST.

Power Scrubbing

- All labor and equipment necessary to complete the above specification.
- Equipment used will be a riding scrubber with a 65 gallon soap tank, three scrub brushes, and a rear mounted squeegee.
- The purpose of the power scrubber is to reduce the residue and staining of salts, magnesium chloride, and other miscellaneous staining throughout the property. We will spot treat oil stains with a degreaser soaps which will remove the surface residue, but may not remove the stain in its entirety.
- Tennant Scrubbing services should be based on the above schedule and should include:
- Parking Spots.
- Drive Lanes
- On site disposal and additional water provided.
- FIRE ALARM SYSTEM MUST BE TURNED OFF BEFORE/DURING SERVICE DUE TO POSSIBLE DUST.
- EXHAUST SYSTEM MUST BE TURNED ON BEFORE/DURING SERVICE DUE TO POSSIBLE DUST.

Accepted by;

Special District Management Services, Inc (printed name / signature / title) Date

Page 2 of 2

initial _____

Upon signing above, I issue my personal guarantee of payment, which will be remitted upon invoice. Additional charges of 3.5% for credit card usage. All invoices are due and payable upon receipt. In the event the amount of an invoice is not paid within 30 days from the date of the invoice, the account shall be deemed to be in default and Contractor reserves the right to cease any further work until the account is brought current. Any invoice not paid within 30 days from the date of the invoice shall accrue interest at the maximum lawful rate of 1-1/2% per month, not to exceed 19% per annum. Owner/Customer agrees to indemnify the Contractor harmless from any costs or expenses incurred in the collection of the defaulted account, or in any part thereof, including all reasonable attorney fees, court cost, etc. All services in Denver County subject to Denver County Tax



**STC METROPOLITAN DISTRICT NO. 2
ENGINEER'S REPORT and CERTIFICATION #60**

PREPARED FOR:

STC Metropolitan District No. 2
141 Union Blvd
Lakewood, CO 80228

PREPARED BY:

Ranger Engineering, LLC
2590 Cody Ct.
Lakewood, CO 80215

DATE PREPARED:

May 28, 2020

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ENGINEER’S REPORT

Introduction

Ranger Engineering, LLC. (“Ranger”) was retained by STC Metropolitan District No. 2 (“District”) as an Independent Consulting Engineer to certify costs associated with constructed Public Improvements associated with the District. Per the Cost Sharing Agreement between the Superior Urban Renewal Authority (“SURA”) representing the Town of Superior (“Town”), RC Superior LLC (“Developer”), and the District, a portion of the costs are eligible to be reimbursed by the Town of Superior. It should be noted that personnel from Ranger were formerly part of Tamarack Consulting, LLC and Manhard Consulting, Ltd., both of which have been engaged by the District to certify costs related to the Public Improvements.

The District is located within the Town of Superior, Colorado. The development area is approximately 91 acres. This certification considers soft & indirect and construction costs.

The attached Engineer’s Certification states that the Independent Consulting Engineer finds and determines that the constructed value of the Public Improvements considered in this Engineer’s Report, including both soft and hard costs from approximately March 2020 to April 2020, are valued at **\$1,268,546.96** for the District, and **\$1,268,546.96** for the Town. Table I summarizes costs certified to date.

| Table I – Cost Certified to Date | | | | |
|---|-------------|-------------------------|--------------------------------------|----------------------------------|
| Cert No. | Date | Total Costs Paid | Total District Eligible Costs | Total Town Eligible Costs |
| 1 | 17-Feb-15 | \$4,643,001.98 | \$3,207,467.82 | \$3,207,467.82 |
| 2 | 16-Jul-15 | \$701,094.68 | \$322,489.80 | \$322,489.80 |
| 3 | 14-Aug-15 | \$959,075.78 | \$489,247.48 | \$489,247.48 |
| 4 | 17-Sep-15 | \$1,219,271.89 | \$683,402.69 | \$683,402.69 |
| 5 | 19-Oct-15 | \$2,119,386.67 | \$1,446,709.01 | \$1,446,709.01 |
| 6 | 17-Nov-15 | \$1,231,778.40 | \$984,437.64 | \$984,437.64 |
| 7 | 21-Dec-15 | \$1,017,615.94 | \$910,069.14 | \$910,069.14 |
| 8 | 19-Jan-16 | \$739,528.78 | \$563,708.01 | \$563,708.01 |
| 9 | 25-Feb-16 | \$495,715.12 | \$461,463.79 | \$461,463.79 |
| 10 | 17-Mar-16 | \$332,878.20 | \$300,162.73 | \$300,162.73 |
| 11 | 18-Apr-16 | \$198,444.34 | \$173,549.33 | \$173,549.33 |
| 12 | 20-May-16 | \$398,396.63 | \$334,538.75 | \$334,538.75 |
| 13 | 20-Jun-16 | \$772,592.31 | \$627,210.02 | \$627,210.02 |
| 14 | 27-Jul-16 | \$647,191.62 | \$622,677.30 | \$622,677.30 |
| 15 | 15-Aug-16 | \$414,015.43 | \$374,344.41 | \$374,344.41 |
| 16 | 23-Sep-16 | \$674,802.27 | \$652,819.56 | \$652,819.56 |
| 17 | 20-Oct-16 | \$1,127,902.22 | \$991,366.52 | \$991,366.52 |
| 18 | 23-Nov-16 | \$1,358,809.86 | \$1,176,715.72 | \$1,176,715.72 |
| 19 | 19-Dec-16 | \$813,631.42 | \$661,258.25 | \$661,258.25 |
| 20 | 25-Jan-17 | \$834,276.57 | \$757,405.36 | \$757,405.36 |

| | | | | |
|----|-----------|----------------|----------------|----------------|
| 21 | 23-Feb-17 | \$784,846.38 | \$694,206.67 | \$694,206.67 |
| 22 | 17-Mar-17 | \$663,385.40 | \$571,156.39 | \$571,156.39 |
| 23 | 20-Apr-17 | \$912,437.74 | \$894,668.66 | \$894,668.66 |
| 24 | 17-May-17 | \$488,722.33 | \$477,391.96 | \$477,391.96 |
| 25 | 29-Jun-17 | \$2,648,255.90 | \$842,092.22 | \$842,092.22 |
| 26 | 3-Aug-17 | \$476,010.18 | \$425,687.34 | \$425,687.34 |
| 27 | 17-Aug-17 | \$995,465.07 | \$781,719.74 | \$781,719.74 |
| 28 | 21-Sep-17 | \$2,202,490.66 | \$1,813,800.55 | \$1,813,800.55 |
| 29 | 11-Nov-17 | \$2,372,127.66 | \$2,363,679.49 | \$2,363,679.49 |
| 30 | 22-Nov-17 | \$1,914,639.28 | \$1,929,475.33 | \$1,711,298.63 |
| 31 | 19-Dec-17 | \$1,731,761.49 | \$1,561,854.08 | \$1,440,391.55 |
| 32 | 16-Feb-18 | \$582,701.05 | \$559,378.98 | \$461,363.52 |
| 33 | 10-Apr-18 | \$932,657.82 | \$858,000.53 | \$690,670.88 |
| 34 | 10-Apr-18 | \$670,283.35 | \$623,505.43 | \$519,950.65 |
| 35 | 18-Jun-18 | \$1,053,420.34 | \$695,052.19 | \$469,031.50 |
| 36 | 13-Jul-18 | \$1,315,446.78 | \$998,428.76 | \$805,440.44 |
| 37 | 31-Jul-18 | \$1,097,722.72 | \$1,019,716.46 | \$910,204.30 |
| 38 | 23-Aug-18 | \$998,452.43 | \$790,429.34 | \$757,296.58 |
| 39 | 26-Sep-18 | \$1,181,782.21 | \$1,008,881.48 | \$851,219.77 |
| 40 | 10-Oct-18 | \$506,528.48 | \$438,293.56 | \$395,834.23 |
| 41 | 06-Dec-18 | \$883,785.69 | \$837,473.61 | \$444,364.63 |
| 42 | 03-Jan-19 | \$223,714.21 | \$179,926.82 | \$137,852.65 |
| 43 | 09-Jan-19 | \$266,323.20 | \$198,080.87 | \$180,809.72 |
| 44 | 24-Jan-19 | \$105,648.98 | \$82,117.55 | \$82,117.55 |
| 45 | 21-Feb-19 | \$291,779.76 | \$259,508.79 | \$259,508.79 |
| 46 | 20-Mar-19 | \$325,500.49 | \$212,355.06 | \$212,355.06 |
| 47 | 25-Apr-19 | \$315,703.35 | \$288,250.21 | \$288,250.21 |
| 48 | 24-May-19 | \$3,889,134.73 | \$2,984,557.18 | \$900,749.68 |
| 49 | 21-Jun-19 | \$5,047,252.81 | \$2,986,639.50 | \$2,775,141.50 |
| 50 | 23-Jul-19 | \$857,721.41 | \$697,366.45 | \$697,366.45 |
| 51 | 21-Aug-19 | \$980,208.74 | \$872,480.78 | \$530,358.78 |
| 52 | 24-Sep-19 | \$628,822.07 | \$438,346.69 | \$438,346.69 |
| 53 | 29-Oct-19 | \$1,803,938.03 | \$1,507,214.33 | \$1,379,096.84 |
| 54 | 10-Jan-20 | \$1,027,263.21 | \$901,622.48 | \$690,742.53 |
| 55 | 10-Jan-20 | \$1,294,723.05 | \$812,019.39 | \$593,009.92 |
| 56 | 30-Jan-20 | \$713,484.44 | \$676,582.61 | \$622,306.27 |
| 57 | 05-Mar-20 | \$418,709.59 | \$325,317.80 | \$316,468.55 |
| 58 | 3-Apr-20 | \$1,094,717.91 | \$743,899.62 | \$575,581.62 |
| 59 | 30-Apr-20 | \$737,369.81 | \$509,456.14 | \$475,389.39 |
| 60 | 28-May-20 | \$2,923,897.99 | \$1,268,546.96 | \$1,268,546.96 |

| | | | |
|---------------|------------------------|------------------------|------------------------|
| TOTALS | \$68,767,073.56 | \$52,077,938.43 | \$46,694,225.27 |
|---------------|------------------------|------------------------|------------------------|

Table II summarizes the cost breakdown of the construction, soft and indirect, district funded costs, and system development fees. Tables III, IV, V, and VI provide category breakdowns of construction, soft and indirect, district funded costs, and system development fees reviewed for this certification. Table VII provides a detailed breakdown of the eligible hard costs per the Service Plan categories and the SURA categories. Table VIII provides a detailed breakdown of the eligible soft costs per the Service Plan categories and the SURA categories. Table IX provides a detailed breakdown of district funded costs per the Service Plan categories and the SURA categories. Table X provides a detailed breakdown of system develop fee costs per the Service Plan categories and the SURA categories.

Public Improvements as Authorized by the Service Plan

Ranger reviewed the Service Plan associated with Superior Town Center Metropolitan District No. 2 (“Service Plan”); dated May 13, 2013.

Section I-A of the Service Plan states:

It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of the anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these public improvements.

Section V-A of the Service Plan States:

The District shall have the power and authority to provide the Public Improvements and related operations and maintenance services within and beyond the District Boundaries as such power and authority is described in the Special District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

Section V-A.8 limits debt issuance to \$145,000,000. Exhibit C-2 maps depict the Inclusion Area of Public Improvements at the time the Service Plan was approved. Ranger has determined that the constructed improvements and associated soft and indirect construction costs (“Public Improvements”) under consideration in this report and certification for reimbursement by the District are indeed authorized by the Service Plan.

Scope of Certification

The Cost Sharing Agreement has identified cost categories eligible for reimbursement. The cost categories reviewed for this report include earthwork, storm sewer, sanitary sewer, domestic water, and mob & temporary conditions. For a breakdown of district eligible costs, refer to Tables II - VIII.

General Methodology

Ranger employed a phased approach toward the preparation of this Engineer's Report and Certification of Public Costs ("Engineer's Certification").

Phase I – Authorization to Proceed and Document Gathering

Ranger was authorized to proceed with the Engineer's Certification in December 2015 (as Tamarack Consulting, LLC). The initial construction documentation was provided by the District January 11, 2016. Subsequent supporting documentation for Phase II construction improvements was delivered by the District through the current cost certification.

Phase II – Site Visit and Meetings

Ranger has performed site visits to verify completion of work relating to District infrastructure during Phase II construction improvements. The site visits were to verify general conformance with contract documents and does not guarantee quality or acceptance of public improvements.

Phase III – Review of Documentation

Documentation was requested at the beginning of work. Requested documentation include the following:

- Executed Contracts and Bid Tabs
- Approved Construction Drawings
- Acceptable Proof of Payment (Cancelled checks and bank statements or lien waivers)
- Invoices and/or Pay Applications
- Approved changes or amendments to contract documents
- Copies of any agreements that will impact District funding

See Appendix A for a complete listing of documents reviewed, as deemed necessary, by Ranger.

Phase IV – Verification of Construction Quantities

Construction quantity take-offs were performed from applicable construction drawings. These quantity take-offs were used in conjunction with Phase V below to certify reasonableness of construction costs.

Phase V – Verification of Construction Unit Costs and Indirect Costs

Construction Unit Costs and Indirect Costs were reviewed for market reasonableness. Ranger took into consideration the type of construction and the timeframe during which the construction occurred. Ranger determined that the costs incurred were within a reasonable range.

Phase VI – Verification of Payment for Public Costs

Per current agreements, District funded costs are approved before payment is made. Contractors and consultants are to provide Conditional Lien Release Waivers for the amount of payment requested. After payment is made, the contractors and consultants are to provide Unconditional Lien Release Waivers. When applicable, cancelled checks and bank statements are also used to verify proof of payment. Certain soft and indirect costs that have portions that are both publicly and privately funded but have not yet been paid are included in this certification. These costs are clearly identified in Table VII Soft and Indirect Costs Detail in the District and Developer Disbursement columns. These costs are included in order to identify the public and private costs and assign these costs to either the Developer or the District. The proof of payment in the form of cancelled checks and bank statements will be reviewed as payments are processed and reflected on future certifications.

Phase VII – Determination of Costs Eligible for Reimbursement

Ranger concluded the Engineer's Certification by determining which improvements were eligible for District and Town reimbursement and what percent of the costs for those improvements were reimbursable.

Cost Certification Phase II construction improvements that were reimbursable consisted of roadways, paths, & hardscape and temporary conditions.

In Cost Certification #24, an Xcel fee was determined eligible in the amount of \$72,886.93. This cost shows up on two separate District funding requests. A check was originally written to pay this fee but was canceled. After verification of the costs, the District wrote another check to pay for this fee per the June funding request, even though this cost was certified on Cost Certification #24.

A fee for American Fence directly paid by Lee Merritt of Ranch Capital was duplicated on Cost Certifications #24 and #25. There is a deduction on Cost Certification #26 to reconcile the overall costs paid to American Fence.

The Town of Superior provided a contribution of \$198,795.49 directly to the funding of the McCaslin Roundabout scope of work performed by Hall Irwin Corporation. On Cost Certification #27, a credit was identified for this amount to be applied to District costs. This credit did not impact the amount of reimbursable costs for the Town. The intent of this credit is to show the financial impact of the Town directly providing these funds.

Hudick Excavating Inc. ("HEI") provided Pay Application 1 directly to the District and Pay Application 2 to the Developer. The funding for these pay applications was allocated separately, but the costs were still determined to be District eligible.

On Cost Certification #31, Samora Construction Contract, costs were submitted for work related to Superior Roadway, which had the top 2" lift fail. Samora issued a credit in the amount of \$9,975 for the 2" failure on Cost Certification #32. When this work is accepted, the full line item will be billed. Costs submitted deemed District eligible for Ninyo & Moore on Cost Certification #20 were realized to be partially non-District. A negative cost of (-\$2,984.79) was identified on Cost Certification #31 to adjust for the non-District costs previously certified.

On Cost Certification #33, adjustments were made to account for errors in prior Cost Certification reports that were identified after performing an audit of certified costs to date. A Cut Above had duplicate costs certified on Certifications #21 and #22. There was a Special District Management Services, Inc invoice that was incorrectly captured as Capital costs as well. Lastly, there were various vendor invoices that were not included in final reports, and those costs were captured at this time.

During the review of Cost Certification #34, the Town notified associated parties that costs associated with the Medical Office Building Garage would not be eligible under SURA until approved by the Town Board, per Resolution No. R-36. Garage costs are currently determined to be District eligible and will become SURA eligible upon the Town Board approval.

System Development Fee backup was provided with Cost Certification #41 backup, but the costs were not included in the report, pending comments and coordination between the Town and the District.

In February 2019, the Town reviewed costs that had been applied to the *Public Park Amenities and Facilities* Town Category. Miscellaneous line items that were labeled under this category were updated to different Town Categories. The impact was that \$14,209.35 was reallocated to *Mob & Temporary Conditions*, \$719,328.02 was reallocated to *Roadways, Paths, & Hardscape*, and \$780,200.89 was reallocated from *Park Site Development* to *Public Park Amenities and Facilities*.

On Cost Certification #48, System Development fees were certified for the first time. Fees related to SDC – Planning Area 3 Residential were only District eligible, while fees related to SDC – Planning Area 1 and 2 Residential and Commercial, as well as SDC – Planning Area 3 Commercial were considered District and Town eligible.

On Cost Certification #49, the MOB Parking Structure (“MOBPS”) costs were certified as a District Funded Cost. The overall reconciled market value of the MOBPS was determined per a report prepared by National Valuation Consultants, Inc. (“NVC”). NVC determined that the MOB Parking Structure has a reconciled market value \$4,260,000 (assuming completion by January 11, 2018). A prorated amount of the MOBPS District value was determined per a memorandum provided by Walker Parking Consultants (“Walker”) based upon public versus private parking availability in the MOBPS. Ranger utilized the Declaration of Parking Structure Easement and Cost Sharing Agreement based upon the definitions of *MOB Spaces*, *Preferred Parking Period*, and *Public Spaces* to review a prorated value and determined that Walker’s percentage was reasonable. Utilizing the NVC market value and the Walker prorated percentage of 52%, a District value of \$2,215,200 was utilized in the Real Estate Sale Contract between the Developer and the District regarding the MOBPS. The full value of the Real Estate Sale Contract value was deemed eligible.

On Cost Certification #50, a subcategory of Civic Space was added as part of the Public Park Amenities and Facilities Town Eligible Categories. All costs under the Civic Space subcategory are rolled up into the overall Public Park Amenities and Facilities costs.

On Cost Certification #57, a credit of – (\$75,000) was issued against Spence Fane on soft costs. These costs were reimbursed through proceeds during bond closing and was adjusted to make sure cost reimbursements were not duplicated.

On Cost Certification #58, Construction Management (“CM”) fees were reviewed for the first time. The costs include multiple CM providers from the beginning of the project to present. Also, on this certification, a credit was applied against Vargas Property Services Inc. for costs that were certified on Cost Certification #57, but were also processed through the District.

On Cost Certification #52-#58, costs related to the interior courtyard as part of Block 25 Phase 2 had the eligibility removed until further review was completed to determine the extent of public costs. These costs were related to stairs, retaining walls, and electrical systems for lighting, and are subject to being included as eligible at a later time.

Beginning on Cost Certification #60, costs related to Toll Brothers development of Block 17 and Superlot 5 were reviewed and certified. Toll Brothers have a reimbursement agreement with the Developer for the buildout of this site. A site takeoff specific to this scope of work was performed, identifying a public eligibility of 62.15%.

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ENGINEER'S CERTIFICATION

Collin D Koranda, P.E. / Ranger Engineering, LLC (the "Independent Consulting Engineer"), states as follows:

1. The Independent Consulting Engineer is an engineer duly qualified and licensed in the State of Colorado with experience in the design, construction and certification of Public Improvements of similar type and function as those described in the above Engineer's Report.
2. The Independent Consulting Engineer has performed a site visit and reviewed applicable construction and legal documents related to the Public Improvements under consideration to state the conclusions set forth in this Engineer's Certification.
3. The Independent Consulting Engineer finds and determines that the constructed value of the Public Improvements considered in the attached Engineer's Report dated May , 2020 including soft and indirect, District funded, and hard costs, are valued at an estimated **\$1,268,546.96**. In the opinion of the Independent Consulting Engineer, the above stated estimated value for the Public Improvements is reasonable and consistent with costs of similar improvements constructed for similar purposes during the same timeframe in similar locales.

Sincerely,

Ranger Engineering, LLC

A handwritten signature in blue ink, appearing to read "Collin D. Koranda".

Collin D. Koranda, P. E.

APPENDIX A

Documents Reviewed

Agreements

- Cost Sharing Agreement between Superior Urban Renewal Authority, RC Superior, LLC, and STC Metropolitan District No 1, 2 and 3. Dated October 18, 2013.
- Development Agreement between the Town of Superior, CO, the Superior Metropolitan District No. 1, the Superior Urban Renewal Authority, and RC Superior LLC. Dated March 11, 2013.
- Public Finance Agreement between the Superior Urban Renewal Authority, the Superior McCaslin Interchange Metropolitan District, RC Superior LLC, and the Town of Superior, CO. Dated March 15, 2013.
- Cost Sharing and Reimbursement Agreement between Aweida Properties and STC Metropolitan District No. 2. Dated October 21, 2015.
- Declaration of Parking Structure Easement and Cost Sharing Agreement, by IISRE-Superior MOB, LLC. Dated March 28, 2017.
- Real Estate Sale Contract (MOB Parking Structure). Entered between RC Superior, LLC and STC Metropolitan District No. 2. August 2018.
- Purchase and Sale Agreement between RC Superior LLC and Toll Southwest LLC dated January 9, 2018.

Construction Plans

- Final Development Plan – Phase I Superior Town Center Infrastructure Plans. Prepared by Civil Resources LLC. Dated November 12, 2013.
- Final Development Plan #1 – Phase I Street Paving Plans. Prepared by Civil Resources LLC. Dated April 29, 2016.
- Final Development Plan 9 and 10 Superior Town Center. Prepared by Civil Resources LLC. Dated June 25, 2019.
- Final Plat Superior Town Center Filing No. 1B. Prepared by Civil Resources LLC. Dated December 4, 2013.
- Overlot Grading and Stormwater Management Plans for Superior Town Center Phase 1A. Prepared by Civil Resources LLC. Released for construction May 22, 2015.
- Superior Town Center Phase I Utility Infrastructure Plans. Prepared by Civil Resources LLC. Issued for Construction August 20, 2015.
- Town of Superior Town Center Lift Station Final Drawings Set 1 & Set 2 Rev 0. Prepared by Dewberry Engineers Inc. Dated July 25, 2014.
- Town of Superior McCaslin Blvd. Town Center Left Turn Lane Drawings. Dated February 24, 2016.

- Superior Town Center – Construction Plans – Phase 3 (McCaslin Roundabout). Prepared by Civil Resources Inc. Dated August 12, 2016. Accepted by Public Works September 9, 2016.
- Final Development Plan 1 – Phase 4 (Marshall Road Extension) – Construction Plans – Superior Town Center. Dated August 19, 2016.

Invoices

- Samora Construction Invoice 720. Dated 5/5/20.
- Samora Construction Pay Application 1-723. Dated 4/1/2020.
- Samora Construction Pay Application 6-722. Dated 4/30/2020.
- ESCO (Toll Brothers) Pay Application 1. Dated 2/29/2020.
- Down To Earth Compliance Invoice 550350. Dated 4/29/2020.

For soft and indirect costs, district funded costs, and System Development Fees reviewed, refer to Tables VIII, IX, and X.

Service Plan and Reports

- Superior Town Center Metropolitan District No. 2. Prepared by McGeady Sisneros, P.C. and dated May 13, 2013.
- Cost Sharing Agreement between Superior Urban Renewal Authority, RC Superior, LLC, and STC Metropolitan District Nos. 1, 2, and 3. Date October 22, 2013.
- Development Agreement between Town of Superior, CO, Superior Metropolitan District No. 1, Superior Urban Renewal Authority, and RC Superior, LLC. Date March 11, 2013.
- Public Finance Agreement between Superior Urban Renewal Authority, Superior McCaslin Interchange Metropolitan District, RC Superior, LLC and Town of Superior, CO. Dated March 15, 2013.
- Memorandum Superior Town Center – Block 12 Garage Allocations. Prepared by Walker Parking Consultants. Revised Date November 18, 2016.
- Appraisal Report of a Parking Structure. Prepared by National Valuation Consultants, Inc. Effective Date of Appraisal January 11, 2018.



SUPERIOR TOWN CENTER METROPOLITAN DISTRICT
Project Costs Summary for District and Town

Table II

| | Total Cost Invoiced | Maximum Eligible Costs | District Eligible Costs | Town Eligible Costs |
|---------------------------|---------------------|------------------------|-------------------------|---------------------|
| Direct Construction Costs | \$ 251,483.29 | \$ 199,918.52 | \$ 199,918.52 | \$ 199,918.52 |
| Soft and Indirect Costs | \$ 2,644,119.49 | \$ 1,065,748.44 | \$ 1,065,748.44 | \$ 1,065,748.44 |
| District Funded Costs | \$ 28,295.21 | \$ 2,880.00 | \$ 2,880.00 | \$ 2,880.00 |
| System Development Costs | \$ - | \$ - | \$ - | \$ - |
| Totals | \$ 2,923,897.99 | \$ 1,268,546.96 | \$ 1,268,546.96 | \$ 1,268,546.96 |



SUPERIOR TOWN CENTER METROPOLITAN DISTRICT

Construction Costs Summary By Category

Table III

| Category | Total Eligible Hard Costs | | Category Percentage |
|-------------------------------------|---------------------------|-------------------|---------------------|
| Total Town Eligible Costs | | | |
| Earthwork | \$ | - | 0.0% |
| Roadways, Paths, & Hardscape | \$ | 135,041.10 | 67.5% |
| Offsite Roadways | \$ | - | 0.0% |
| Walls and Structures | \$ | - | 0.0% |
| Storm Sewer | \$ | 24,589.80 | 12.3% |
| Sanitary Sewer | \$ | 3,448.50 | 1.7% |
| Reuse Water & Irrigation Piping | \$ | - | 0.0% |
| Domestic Water | \$ | 15,893.69 | 8.0% |
| Dry Utilities | \$ | - | 0.0% |
| Park Site Development | \$ | - | 0.0% |
| Mob & Temporary Conditions | \$ | 20,945.43 | 10.5% |
| SDC - Planning Area 1 and 2 | \$ | - | 0.0% |
| SDC - Planning Area 3 | \$ | - | 0.0% |
| Parking & Architectural Enhancement | \$ | - | 0.0% |
| Public Park Amenities & Facilities | \$ | - | 0.0% |
| Civic Space (Part of PPA&F) | \$ | - | - |
| | \$ | 199,918.52 | 100.0% |

| Total District Eligible Costs | | | |
|-------------------------------|-----------|-------------------|---------------|
| Street | \$ | 150,845.12 | 75.5% |
| Water | \$ | 17,753.75 | 8.9% |
| Sanitation | \$ | 31,319.66 | 15.7% |
| Fire Protection | \$ | - | 0.0% |
| Parks and Recreation | \$ | - | 0.0% |
| Non District | \$ | - | - |
| Multiple | | | |
| | \$ | 199,918.52 | 100.0% |



SUPERIOR TOWN CENTER METROPOLITAN DISTRICT

Soft Costs Summary By Category

Table IV

| Category | Total Eligible Soft Costs | | Category Percentage |
|-------------------------------------|---------------------------|---------------------|---------------------|
| Total Town Eligible Costs | | | |
| Earthwork | \$ | - | 0.0% |
| Roadways, Paths, & Hardscape | \$ | 78,171.82 | 7.3% |
| Offsite Roadways | \$ | - | 0.0% |
| Walls and Structures | \$ | - | 0.0% |
| Storm Sewer | \$ | - | 0.0% |
| Sanitary Sewer | \$ | - | 0.0% |
| Reuse Water & Irrigation Piping | \$ | 34,000.00 | 3.2% |
| Domestic Water | \$ | - | 0.0% |
| Dry Utilities | \$ | - | 0.0% |
| Park Site Development | \$ | - | 0.0% |
| Mob & Temporary Conditions | \$ | 11,631.25 | 1.1% |
| SDC - Planning Area 1 and 2 | \$ | - | 0.0% |
| SDC - Planning Area 3 | \$ | - | 0.0% |
| Parking & Architectural Enhancement | \$ | - | 0.0% |
| Public Park Amenities & Facilities | | \$366,620.43 | 34.4% |
| Civic Space (Part of PPA&F) | | \$40,000.00 | |
| Other Eligible Costs | \$ | 575,324.94 | 54.0% |
| | \$ | 1,065,748.44 | 100.0% |

| Total District Eligible Costs | | | |
|-------------------------------|-----------|---------------------|---------------|
| Organization | \$ | - | 0.0% |
| Capital | \$ | 1,065,748.44 | 100.0% |
| Street | \$ | 166,597.96 | 15.6% |
| Water | \$ | 76,309.43 | 7.2% |
| Sanitation | \$ | - | 0.0% |
| Fire Protection | \$ | - | 0.0% |
| Parks and Recreation | \$ | 822,841.05 | 77.2% |
| | \$ | 1,065,748.44 | 100.0% |



SUPERIOR TOWN CENTER METROPOLITAN DISTRICT

District Funded Costs Summary

Table V

| Category | Total Eligible DF Costs | | Category Percentage |
|-------------------------------------|-------------------------|-----------------|---------------------|
| Total Town Eligible Costs | | | |
| Earthwork | \$ | - | 0.0% |
| Roadways, Paths, & Hardscape | \$ | - | 0.0% |
| Offsite Roadways | \$ | - | 0.0% |
| Walls and Structures | \$ | - | 0.0% |
| Storm Sewer | \$ | - | 0.0% |
| Sanitary Sewer | \$ | - | 0.0% |
| Reuse Water & Irrigation Piping | \$ | - | 0.0% |
| Domestic Water | \$ | - | 0.0% |
| Dry Utilities | \$ | - | 0.0% |
| Park Site Development | \$ | - | 0.0% |
| Mob & Temporary Conditions | \$ | - | 0.0% |
| SDC - Planning Area 1 and 2 | \$ | - | 0.0% |
| SDC - Planning Area 3 | \$ | - | 0.0% |
| Parking & Architectural Enhancement | \$ | - | 0.0% |
| Public Park Amenities & Facilities | \$ | - | 0.0% |
| Other Eligible Costs | \$ | 2,880.00 | 100.0% |
| Not Eligible | \$ | - | 0.0% |
| \$ | | 2,880.00 | 100.0% |

| Total District Eligible Costs | | | |
|-------------------------------|----|-----------------|---------------|
| Operation | \$ | - | 0.0% |
| Capital | \$ | 2,880.00 | 100.0% |
| Organization | \$ | - | 0.0% |
| Street | \$ | 450.20 | 15.6% |
| Water | \$ | 206.21 | 7.2% |
| Sanitation | \$ | - | 0.0% |
| Fire Protection | \$ | - | 0.0% |
| Parks and Recreation | \$ | 2,223.58 | 77.2% |
| \$ | | 2,880.00 | 100.0% |

| Work Description | Contract Values | | | | Invoiced Values | | | | District Eligibility | | | | | | | Inv. No. | | | | | |
|------------------|-----------------|------|------------|-----------------|-----------------|----------------|-----------------------|------------------|----------------------|-----------------|---------------|---------------------------|--------------------------|---------------|----------------------|------------------------|----------------|--------------|----------------------|-----------|---------|
| | Quantity | Unit | Unit Price | Amount | Amount Invoiced | Retainage Held | Amount Less Retainage | Percent Invoiced | District Type | District Powers | Town Category | Percent District Eligible | Amount District Eligible | Town Eligible | Amount Town Eligible | Total Percent Eligible | Total Eligible | Non-District | Certification Number | Inv. Date | Cert 60 |
| | | | | \$ 3,713,933.98 | \$ 262,452.48 | \$ | 251,483.29 | | | | | \$ 199,918.52 | | \$ 199,918.52 | | \$ 199,918.52 | | | | | |



SUPERIOR TOWN CENTER METROPOLITAN DISTRICT
Soft and Indirect Costs
Table VIII

| Vendor | Invoice Number | Invoices Description | Date | Amount Invoiced | District Category | District Powers | Town Categories | Percent District Eligible | Amount District Eligible | Percent Town Eligible | Amount Town Eligible | Total Eligible | Certification Number |
|--------------------------------|----------------|---|------------|-----------------|-------------------|----------------------|-----------------------------------|---------------------------|--------------------------|-----------------------|----------------------|----------------|----------------------|
| SOS Design, Inc. | 12495 | Superior Sign Planning & Design - Phase 2 | 12/29/19 | \$ 1,000.00 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 1,000.00 | 100% | \$ 1,000.00 | 100% | 60 |
| SOS Design, Inc. | 12720 | Superior Sign Planning & Design - Phase 2 | 03/29/20 | \$ 1,700.00 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 1,700.00 | 100% | \$ 1,700.00 | 100% | 60 |
| SOS Design, Inc. | 12794 | Superior Sign Planning & Design - Phase 2 | 04/26/20 | \$ 1,500.00 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 1,500.00 | 100% | \$ 1,500.00 | 100% | 60 |
| SOS Design, Inc. | 12107 Credit | Superior Sign Planning & Design - Phase 2 | 07/28/19 | \$ (6,000.00) | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ (6,000.00) | 100% | \$ (6,000.00) | 100% | 60 |
| Cesare, Inc | 19.3035.12R | 2019 Superior Town Center | 03/27/20 | \$ 19,031.65 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 19,031.65 | 100% | \$ 19,031.65 | 100% | 60 |
| Cesare, Inc | 19.3035.13 | 2019 Superior Town Center | 04/29/20 | \$ 11,478.40 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 11,478.40 | 100% | \$ 11,478.40 | 100% | 60 |
| Cesare, Inc | 19.3035.8 | 2019 Superior Town Center | 11/30/19 | \$ 14,175.30 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 14,175.30 | 100% | \$ 14,175.30 | 100% | 60 |
| Cesare, Inc | 20.3017.1 R1 | Marshall Road Bridge and Parks | 03/26/20 | \$ 7,000.00 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 7,000.00 | 100% | \$ 7,000.00 | 100% | 60 |
| Cesare, Inc | 20.3017.2 | Marshall Road Bridge and Parks | 04/27/20 | \$ 8,000.00 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 8,000.00 | 100% | \$ 8,000.00 | 100% | 60 |
| Civil Resources, LLC | 238.001.01.75 | Superior Town Center - Infrastructure | 04/29/20 | \$ 23,914.33 | Capital | Multiple | Other Eligible Costs | 100% | \$ 23,914.33 | 100% | \$ 23,914.33 | 100% | 60 |
| DIG Studio Inc. | 3900 | STC Promenade/Plaza Landscape Design | 05/04/20 | \$ 270.25 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 270.25 | 100% | \$ 270.25 | 100% | 60 |
| KTYG | 148666 | Public Architecture | 02/29/20 | \$ 40,000.00 | Capital | Parks and Recreation | Public Space (Part of PPA&F) | 100% | \$ 40,000.00 | 100% | \$ 40,000.00 | 100% | 60 |
| Rush Management | 130467 | Street Sweeping | 02/29/20 | \$ 1,500.00 | Capital | Multiple | Mob & Temporary Conditions | 47% | \$ 705.00 | 47% | \$ 705.00 | 47% | 60 |
| Rush Management | 131004 | Street Sweeping | 03/31/20 | \$ 3,240.00 | Capital | Multiple | Mob & Temporary Conditions | 47% | \$ 1,522.80 | 47% | \$ 1,522.80 | 47% | 60 |
| Summit Services | 29832 | Stormwater Insepction | 04/30/20 | \$ 800.00 | Capital | Multiple | Mob & Temporary Conditions | 100% | \$ 800.00 | 100% | \$ 800.00 | 100% | 60 |
| Town of Superior | 993 | FDP #1 Infrastructure | 04/27/20 | \$ 8,390.15 | Capital | Multiple | Roadways, Paths, & Hardscape | 47% | \$ 3,943.37 | 47% | \$ 3,943.37 | 47% | 60 |
| TOLL BROTHERS COSTS | | | | | | | | | | | | | |
| Civil Resources, LLC | 289.001.01 | Superior Town Center - Toll Brothers | 06/04/18 | \$ 3,540.72 | Capital | Multiple | Other Eligible Costs | 62% | \$ 2,200.40 | 62% | \$ 2,200.40 | 62% | 60 |
| Civil Resources, LLC | 289.001.02 | Superior Town Center - Toll Brothers | 07/30/18 | \$ 1,050.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 652.53 | 62% | \$ 652.53 | 62% | 60 |
| Civil Resources, LLC | 289.001.03 | Superior Town Center - Toll Brothers | 08/28/18 | \$ 7,583.17 | Capital | Multiple | Other Eligible Costs | 62% | \$ 4,712.61 | 62% | \$ 4,712.61 | 62% | 60 |
| Civil Resources, LLC | 289.001.04 | Superior Town Center - Toll Brothers | 09/28/18 | \$ 2,930.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 1,820.87 | 62% | \$ 1,820.87 | 62% | 60 |
| Civil Resources, LLC | 289.001.05 | Superior Town Center - Toll Brothers | 10/29/18 | \$ 875.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 543.77 | 62% | \$ 543.77 | 62% | 60 |
| Civil Resources, LLC | 289.001.06 | Superior Town Center - Toll Brothers | 11/29/18 | \$ 210.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 130.51 | 62% | \$ 130.51 | 62% | 60 |
| CMS ENVIRO SOL | 99074 | Site Storm Water SWMP | 01/09/2020 | \$ 1,200.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 745.75 | 62% | \$ 745.75 | 62% | 60 |
| COLORADO DEPT OF PUBLIC HEALTH | WC201094401 | WQCD Permit | 02/12/2020 | \$ 270.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 167.79 | 62% | \$ 167.79 | 62% | 60 |
| CTL/THOMPSON STRUCTURAL ENGINE | 472249 | Phase I ESA | 03/31/2018 | \$ 3,600.00 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 3,600.00 | 100% | \$ 3,600.00 | 100% | 60 |
| CTL/THOMPSON STRUCTURAL ENGINE | 530024 | Wetland Evaluation | 11/30/2019 | \$ 605.00 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 605.00 | 100% | \$ 605.00 | 100% | 60 |
| CVL CONSULTANTS OF CO | 26089 | Engineering Design | 01/18/2019 | \$ 29,476.84 | Capital | Multiple | Other Eligible Costs | 76% | \$ 22,383.03 | 76% | \$ 22,383.03 | 76% | 60 |
| CVL CONSULTANTS OF CO | 27512 | Engineering Design | 01/23/2020 | \$ 38,826.50 | Capital | Multiple | Other Eligible Costs | 76% | \$ 29,482.63 | 76% | \$ 29,482.63 | 76% | 60 |
| CVL CONSULTANTS OF CO | 26204 | Engineering Design | 02/20/2019 | \$ 30,807.95 | Capital | Multiple | Other Eligible Costs | 76% | \$ 23,393.80 | 76% | \$ 23,393.80 | 76% | 60 |
| CVL CONSULTANTS OF CO | 27645 | Engineering Design | 02/25/2020 | \$ 10,603.59 | Capital | Multiple | Other Eligible Costs | 76% | \$ 8,051.76 | 76% | \$ 8,051.76 | 76% | 60 |
| CVL CONSULTANTS OF CO | 26343 | Engineering Design | 03/25/2019 | \$ 11,730.29 | Capital | Multiple | Other Eligible Costs | 76% | \$ 8,907.31 | 76% | \$ 8,907.31 | 76% | 60 |
| CVL CONSULTANTS OF CO | 26522 | Engineering Design | 04/24/2019 | \$ 3,445.26 | Capital | Multiple | Other Eligible Costs | 76% | \$ 2,616.13 | 76% | \$ 2,616.13 | 76% | 60 |
| CVL CONSULTANTS OF CO | 26550 | Engineering Design | 05/21/2019 | \$ 9,054.98 | Capital | Multiple | Other Eligible Costs | 76% | \$ 6,875.84 | 76% | \$ 6,875.84 | 76% | 60 |
| CVL CONSULTANTS OF CO | 26679 | Engineering Design | 06/25/2019 | \$ 66,680.94 | Capital | Multiple | Other Eligible Costs | 76% | \$ 50,633.71 | 76% | \$ 50,633.71 | 76% | 60 |
| CVL CONSULTANTS OF CO | 26800 | Engineering Design | 07/16/2019 | \$ 47,648.79 | Capital | Multiple | Other Eligible Costs | 76% | \$ 36,181.78 | 76% | \$ 36,181.78 | 76% | 60 |
| CVL CONSULTANTS OF CO | 26951 | Engineering Design | 08/26/2019 | \$ 3,582.50 | Capital | Multiple | Other Eligible Costs | 76% | \$ 2,720.35 | 76% | \$ 2,720.35 | 76% | 60 |
| CVL CONSULTANTS OF CO | 25578 | Engineering Design | 09/17/2018 | \$ 1,604.24 | Capital | Multiple | Other Eligible Costs | 76% | \$ 1,218.17 | 76% | \$ 1,218.17 | 76% | 60 |
| CVL CONSULTANTS OF CO | 27139 | Engineering Design | 09/30/2019 | \$ 63,031.21 | Capital | Multiple | Other Eligible Costs | 76% | \$ 47,862.31 | 76% | \$ 47,862.31 | 76% | 60 |
| CVL CONSULTANTS OF CO | 25692 | Engineering Design | 10/22/2018 | \$ 25,235.09 | Capital | Multiple | Other Eligible Costs | 76% | \$ 19,162.09 | 76% | \$ 19,162.09 | 76% | 60 |
| CVL CONSULTANTS OF CO | 25857 | Engineering Design | 11/19/2018 | \$ 43,557.40 | Capital | Multiple | Other Eligible Costs | 76% | \$ 33,075.01 | 76% | \$ 33,075.01 | 76% | 60 |
| CVL CONSULTANTS OF CO | 25968 | Engineering Design | 12/13/2018 | \$ 37,538.50 | Capital | Multiple | Other Eligible Costs | 76% | \$ 28,504.60 | 76% | \$ 28,504.60 | 76% | 60 |
| CVL CONSULTANTS OF CO | 27472 | Engineering Design | 12/31/2019 | \$ 95,797.43 | Capital | Multiple | Other Eligible Costs | 76% | \$ 72,743.11 | 76% | \$ 72,743.11 | 76% | 60 |
| DTJ DESIGNS INC | 58687 | Conceptual Site Plan | 03/08/2018 | \$ 800.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 497.17 | 62% | \$ 497.17 | 62% | 60 |
| DTJ DESIGNS INC | 59215 | Planning and Development Review | 10/09/2018 | \$ 48,753.44 | Capital | Multiple | Other Eligible Costs | 62% | \$ 30,298.13 | 62% | \$ 30,298.13 | 62% | 60 |
| DTJ DESIGNS INC | 59217 | Architctural Product Design | 10/09/2018 | \$ 15,623.42 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59218 | Landscape Architecture | 10/09/2018 | \$ 7,533.20 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 7,533.20 | 100% | \$ 7,533.20 | 100% | 60 |
| DTJ DESIGNS INC | 59219 | Architctural Product Design | 10/09/2018 | \$ 47,507.44 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59316 | Architctural Product Design | 11/09/2018 | \$ 1,500.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59322 | Planning and Development Review | 11/09/2018 | \$ 19,084.85 | Capital | Multiple | Other Eligible Costs | 62% | \$ 11,860.40 | 62% | \$ 11,860.40 | 62% | 60 |
| DTJ DESIGNS INC | 59323 | Landscape Architecture | 11/09/2018 | \$ 103,991.35 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 103,991.35 | 100% | \$ 103,991.35 | 100% | 60 |
| DTJ DESIGNS INC | 59324 | Architctural Product Design | 11/09/2018 | \$ 19,511.20 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59398 | Planning and Development Review | 12/06/2018 | \$ 6,047.45 | Capital | Multiple | Other Eligible Costs | 62% | \$ 3,758.23 | 62% | \$ 3,758.23 | 62% | 60 |
| DTJ DESIGNS INC | 59399 | Landscape Architecture | 12/06/2018 | \$ 18,223.50 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 18,223.50 | 100% | \$ 18,223.50 | 100% | 60 |
| DTJ DESIGNS INC | 59402 | Architctural Product Design | 12/06/2018 | \$ 1,000.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59403 | Architctural Product Design | 12/06/2018 | \$ 4,212.70 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59497 | Planning and Development Review | 01/09/2019 | \$ 3,218.70 | Capital | Multiple | Other Eligible Costs | 62% | \$ 2,000.28 | 62% | \$ 2,000.28 | 62% | 60 |
| DTJ DESIGNS INC | 59502 | Landscape Architecture | 01/09/2019 | \$ 36,159.60 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 36,159.60 | 100% | \$ 36,159.60 | 100% | 60 |
| DTJ DESIGNS INC | 59715 | Architctural Product Design | 04/11/2019 | \$ 934.90 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59723 | Planning and Development Review | 04/11/2019 | \$ 14,596.60 | Capital | Multiple | Other Eligible Costs | 62% | \$ 9,071.15 | 62% | \$ 9,071.15 | 62% | 60 |
| DTJ DESIGNS INC | 59757 | Landscape Architecture | 04/11/2019 | \$ 235.20 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 235.20 | 100% | \$ 235.20 | 100% | 60 |
| DTJ DESIGNS INC | 59829 | Landscape Architecture | 05/08/2019 | \$ 5,816.60 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 5,816.60 | 100% | \$ 5,816.60 | 100% | 60 |
| DTJ DESIGNS INC | 59839 | Planning and Development Review | 05/08/2019 | \$ 13,702.10 | Capital | Multiple | Other Eligible Costs | 62% | \$ 8,515.26 | 62% | \$ 8,515.26 | 62% | 60 |
| DTJ DESIGNS INC | 59855 | Architctural Product Design | 05/09/2019 | \$ 3,726.10 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59858 | Architctural Product Design | 05/09/2019 | \$ 4,500.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59918 | Landscape Architecture | 06/05/2019 | \$ 42,868.48 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 42,868.48 | 100% | \$ 42,868.48 | 100% | 60 |
| DTJ DESIGNS INC | 59940 | Architctural Product Design | 06/06/2019 | \$ 19,103.40 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59941 | Architctural Product Design | 06/06/2019 | \$ 1,575.37 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |



SUPERIOR TOWN CENTER METROPOLITAN DISTRICT
Soft and Indirect Costs
Table VIII

| Vendor | | Invoices | | | | | Percent District | Amount District | Percent Town | Amount Town | Total | Certification | |
|--------------------------------|-------------|--|-----------------|-------------------|-----------------|----------------------|-----------------------------------|-----------------|-----------------|-------------|--------------|---------------|----|
| Invoice Number | Description | Date | Amount Invoiced | District Category | District Powers | Town Categories | Eligible | Eligible | Eligible | Eligible | Eligible | Number | |
| DTJ DESIGNS INC | 59960 | Planning and Development Review | 06/12/2019 | \$ 17,376.80 | Capital | Multiple | Other Eligible Costs | 62% | \$ 10,798.92 | 62% | \$ 10,798.92 | 62% | 60 |
| DTJ DESIGNS INC | 59983 | Architectural Product Design | 07/11/2019 | \$ 15,711.94 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59984 | Architectural Product Design | 07/11/2019 | \$ 562.50 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 59997 | Landscape Architecture | 07/11/2019 | \$ 24,920.60 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 24,920.60 | 100% | \$ 24,920.60 | 100% | 60 |
| DTJ DESIGNS INC | 60018 | Planning and Development Review | 07/12/2019 | \$ 15,038.70 | Capital | Multiple | Other Eligible Costs | 62% | \$ 9,345.90 | 62% | \$ 9,345.90 | 62% | 60 |
| DTJ DESIGNS INC | 60084 | Landscape Architecture | 08/06/2019 | \$ 450.00 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 450.00 | 100% | \$ 450.00 | 100% | 60 |
| DTJ DESIGNS INC | 60178 | Architectural Product Design | 09/10/2019 | \$ 7,525.86 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60179 | Architectural Product Design | 09/10/2019 | \$ 1,482.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60180 | Planning and Development Review | 09/10/2019 | \$ 17,993.44 | Capital | Multiple | Other Eligible Costs | 62% | \$ 11,182.14 | 62% | \$ 11,182.14 | 62% | 60 |
| DTJ DESIGNS INC | 60185 | Landscape Architecture | 09/10/2019 | \$ 9,203.01 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 9,203.01 | 100% | \$ 9,203.01 | 100% | 60 |
| DTJ DESIGNS INC | 60257 | Planning and Development Review | 10/07/2019 | \$ 18,713.45 | Capital | Multiple | Other Eligible Costs | 62% | \$ 11,629.59 | 62% | \$ 11,629.59 | 62% | 60 |
| DTJ DESIGNS INC | 60271 | Landscape Architecture | 10/08/2019 | \$ 11,309.41 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 11,309.41 | 100% | \$ 11,309.41 | 100% | 60 |
| DTJ DESIGNS INC | 60276 | Architectural Product Design | 10/08/2019 | \$ 1,911.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60277 | Architectural Product Design | 10/08/2019 | \$ 9,032.82 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60331 | Landscape Architecture | 11/06/2019 | \$ 30,877.53 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 30,877.53 | 100% | \$ 30,877.53 | 100% | 60 |
| DTJ DESIGNS INC | 60351 | Planning and Development Review | 11/07/2019 | \$ 5,285.31 | Capital | Multiple | Other Eligible Costs | 62% | \$ 3,284.59 | 62% | \$ 3,284.59 | 62% | 60 |
| DTJ DESIGNS INC | 60368 | Architectural Product Design | 11/11/2019 | \$ 468.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60369 | Architectural Product Design | 11/11/2019 | \$ 6,677.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60414 | Planning and Development Review | 12/05/2019 | \$ 7,293.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 4,532.28 | 62% | \$ 4,532.28 | 62% | 60 |
| DTJ DESIGNS INC | 60472 | Architectural Product Design | 12/12/2019 | \$ 2,949.40 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60473 | Architectural Product Design | 12/12/2019 | \$ 78.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60493 | Landscape Architecture | 12/18/2019 | \$ 25,731.70 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 25,731.70 | 100% | \$ 25,731.70 | 100% | 60 |
| DTJ DESIGNS INC | 60554 | Landscape Architecture | 01/10/2020 | \$ 4,825.00 | Capital | Parks and Recreation | Public Park Amenities & Facilitie | 100% | \$ 4,825.00 | 100% | \$ 4,825.00 | 100% | 60 |
| DTJ DESIGNS INC | 60555 | Architectural Product Design | 01/10/2020 | \$ 15,575.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60556 | Architectural Product Design | 01/10/2020 | \$ 7,350.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60642 | Architectural Product Design | 02/10/2020 | \$ 6,675.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60643 | Architectural Product Design | 02/10/2020 | \$ 18,376.60 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60679 | Architectural Product Design | 03/04/2020 | \$ 6,675.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| DTJ DESIGNS INC | 60681 | Architectural Product Design | 03/04/2020 | \$ 22,085.90 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| ENGINEERING UNDERGROUND LLC | SUPERIOR-01 | Dry Utility Coordination / Lighting Coordination | 10/07/2019 | \$ 4,612.50 | Capital | Multiple | Other Eligible Costs | 25% | \$ 1,175.00 | 25% | \$ 1,175.00 | 25% | 60 |
| FOX ROTHSCHILD LLP | 2168205 | Legal - Development/Title/PSA/PD Amendment | 03/03/2018 | \$ 1,871.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 1,162.74 | 62% | \$ 1,162.74 | 62% | 60 |
| FOX ROTHSCHILD LLP | 2184045 | Legal - Development/Title/PSA/PD Amendment | 04/11/2018 | \$ 10,046.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 6,243.15 | 62% | \$ 6,243.15 | 62% | 60 |
| FOX ROTHSCHILD LLP | 2196690 | Legal - Development/Title/PSA/PD Amendment | 05/09/2018 | \$ 21,727.65 | Capital | Multiple | Other Eligible Costs | 62% | \$ 13,502.79 | 62% | \$ 13,502.79 | 62% | 60 |
| FOX ROTHSCHILD LLP | 2210272 | Legal - Development/Title/PSA/PD Amendment | 06/13/2018 | \$ 13.13 | Capital | Multiple | Other Eligible Costs | 62% | \$ 8.16 | 62% | \$ 8.16 | 62% | 60 |
| LAND TITLE GUARANTEE CO | 11018 | Land Purchase | 01/10/2018 | \$ 30,000.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| LAND TITLE GUARANTEE CO | CC-203337 | Land Purchase | 11/27/2019 | \$ 312.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| LAND TITLE GUARANTEE CO. | 42318 | Land Purchase | 04/23/2018 | \$ 1,070,000.00 | Non District | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | 60 |
| LSC TRANSPORTATION CONSULTANTS | 56576 | Noise Impact Analysis | 05/08/2019 | \$ 220.00 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 220.00 | 100% | \$ 220.00 | 100% | 60 |
| LSC TRANSPORTATION CONSULTANTS | 57282 | Noise Impact Analysis | 09/10/2019 | \$ 1,064.25 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 1,064.25 | 100% | \$ 1,064.25 | 100% | 60 |
| LSC TRANSPORTATION CONSULTANTS | 57327 | Noise Impact Analysis | 09/10/2019 | \$ 2,943.30 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 2,943.30 | 100% | \$ 2,943.30 | 100% | 60 |
| LSC TRANSPORTATION CONSULTANTS | 55306 | Noise Impact Analysis | 09/13/2018 | \$ 432.80 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 432.80 | 100% | \$ 432.80 | 100% | 60 |
| LSC TRANSPORTATION CONSULTANTS | 55462 | Noise Impact Analysis | 10/08/2018 | \$ 220.00 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 220.00 | 100% | \$ 220.00 | 100% | 60 |
| LSC TRANSPORTATION CONSULTANTS | 57440 | Noise Impact Analysis | 10/08/2019 | \$ 1,125.00 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 1,125.00 | 100% | \$ 1,125.00 | 100% | 60 |
| LSC TRANSPORTATION CONSULTANTS | 57463 | Noise Impact Analysis | 10/08/2019 | \$ 8,408.55 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 8,408.55 | 100% | \$ 8,408.55 | 100% | 60 |
| LSC TRANSPORTATION CONSULTANTS | 55625 | Noise Impact Analysis | 11/06/2018 | \$ 1,725.00 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 1,725.00 | 100% | \$ 1,725.00 | 100% | 60 |
| LSC TRANSPORTATION CONSULTANTS | 55792 | Noise Impact Analysis | 12/11/2018 | \$ 204.20 | Capital | Street | Roadways, Paths, & Hardscape | 100% | \$ 204.20 | 100% | \$ 204.20 | 100% | 60 |
| MANHARD CONSULTING, LTD. | 32618 | ALTA/NSPS Land Title Survey | 02/19/2018 | \$ 5,200.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 3,231.57 | 62% | \$ 3,231.57 | 62% | 60 |
| SOIOLOGIC INC | 10377 | Geotechnical Subsurface Exploration | 03/19/2018 | \$ 2,600.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 1,615.79 | 62% | \$ 1,615.79 | 62% | 60 |
| SOIOLOGIC INC | 113731 | Geotechnical Subsurface Exploration | 08/08/2019 | \$ 750.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 466.09 | 62% | \$ 466.09 | 62% | 60 |
| SOUTH BOULDER & COAL CREEK IRR | 200305/4354 | Final Irrigation plan review | 03/05/2020 | \$ 15,000.00 | Capital | Water | Reuse Water & Irrigation Piping | 100% | \$ 15,000.00 | 100% | \$ 15,000.00 | 100% | 60 |
| SOUTH BOULDER & COAL CREEK IRR | 200330/4354 | Grant fee for Ditch crossing agreement | 03/30/2020 | \$ 11,000.00 | Capital | Water | Reuse Water & Irrigation Piping | 100% | \$ 11,000.00 | 100% | \$ 11,000.00 | 100% | 60 |
| SOUTH BOULDER & COAL CREEK IRR | 191118/4354 | Deposit for license agreement and plan review | 11/18/2019 | \$ 8,000.00 | Capital | Water | Reuse Water & Irrigation Piping | 100% | \$ 8,000.00 | 100% | \$ 8,000.00 | 100% | 60 |
| CVL CONSULTANTS OF CO | 27771 | Residential Construction surveying | 03/26/2020 | \$ 2,560.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 1,590.93 | 62% | \$ 1,590.93 | 62% | 60 |
| SIMKISS AGENCY, INC., THE | 74455 | Surety Bonds - Toll Brothers | 03/06/2020 | \$ 1,375.00 | Capital | Multiple | Other Eligible Costs | 62% | \$ 854.50 | 62% | \$ 854.50 | 62% | 60 |
| PASE CONTRACTING INC | 28470 | Erosion Contro | 02/29/2020 | \$ 11,800.00 | Capital | Multiple | Mob & Temporary Conditions | 62% | \$ 7,333.18 | 62% | \$ 7,333.18 | 62% | 60 |
| PASE CONTRACTING INC | 28471 | Erosion Control | 02/29/2020 | \$ 1,471.50 | Capital | Multiple | Mob & Temporary Conditions | 62% | \$ 914.47 | 62% | \$ 914.47 | 62% | 60 |
| FUSION SIGN & DESIGN | 157969 | Construction Fence | 02/27/2020 | \$ 572.51 | Capital | Multiple | Mob & Temporary Conditions | 62% | \$ 355.79 | 62% | \$ 355.79 | 62% | 60 |
| | | | | | | | \$ 2,644,119.49 | \$ 1,065,748.44 | \$ 1,065,748.44 | | | | |



SUPERIOR TOWN CENTER METROPOLITAN DISTRICT
District Funded Costs
Table IX

| Vendor | Invoice Number | Invoices | Description | Date | Amount Invoiced | District Category | District Powers | Town Categories | Percent District | | Percent Town | | Total | Developer | | | Certification | |
|----------------------------|----------------|----------|--|----------|-----------------|-------------------|-----------------|----------------------|------------------|-----------------|--------------|-------------|-------|---------------|---------------|------------------|---------------|----|
| | | | | | | | | | Eligible | Amount District | Eligible | Amount Town | | Reimbursement | Capital Costs | Operations Costs | | |
| Comcast | 16389 | | Parking Structure | 04/20/20 | \$ 153.01 | Operation | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | \$ - | \$ - | \$ - | 153.01 | 60 |
| Doody Calls | 36727/36610 | | Pet Waste Removal | 04/15/20 | \$ 487.75 | Operation | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | \$ - | \$ - | \$ - | 487.75 | 60 |
| McGeedy Becher P.C. | 11098 Mar 20 | | Legal fees for capital related matters | 03/31/20 | \$ 7,532.50 | Operation | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | \$ - | \$ - | \$ - | 7,532.50 | 60 |
| McGeedy Becher P.C. | 11098 Mar 20 | | Legal fees for capital related matters | 03/31/20 | \$ 1,680.00 | Capital | Multiple | Other Eligible Costs | 100% | \$ 1,680.00 | 100% | \$ 1,680.00 | 100% | \$ 1,680.00 | \$ 1,680.00 | \$ - | - | 60 |
| Ranger Engineering, LLC | 1130 | | Cost Certification Services | 03/26/20 | \$ 1,200.00 | Capital | Multiple | Other Eligible Costs | 100% | \$ 1,200.00 | 100% | \$ 1,200.00 | 100% | \$ 1,200.00 | \$ 1,200.00 | \$ - | - | 60 |
| Simmons & Wheeler, P.C. | 26130 | | Accounting Services - Operations | 03/31/20 | \$ 4,326.79 | Operation | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | \$ - | \$ - | \$ - | 4,326.79 | 60 |
| Thyssenkrupp Elevator Corp | 6005165172 | | Parking Structure | 04/01/20 | \$ 170.41 | Operation | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | \$ - | \$ - | \$ - | 170.41 | 60 |
| Vargas Property Services | 30157 | | Contract Maintenance, Trash, Watering | 04/01/20 | \$ 11,857.63 | Operation | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | \$ - | \$ - | \$ - | 11,857.63 | 60 |
| Xcel Energy | 94473 | | Monthly Service | 04/15/20 | \$ 887.12 | Operation | Non District | Not Eligible | 0% | \$ - | 0% | \$ - | 0% | \$ - | \$ - | \$ - | 887.12 | 60 |
| | | | | | \$ 28,295.21 | | | | \$ 2,880.00 | | \$ 2,880.00 | | | | | | | |