

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032
<https://jeffersoncentermd2.colorado.gov>

NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office</u>	<u>Term/Expiration:</u>
Charles Church McKay	President	2027/May 2027
Gregg Bradbury	Treasurer	2027/May 2027
Jeff Nading	Assistant Secretary	2025/May 2025
Steve Nading	Assistant Secretary	2025/May 2025
Brandon Dooling	Assistant Secretary	2027/May 2027
David Solin	Secretary	

DATE Tuesday, September 24, 2024

TIME: 9:30 A.M.

PLACE: Zoom Meeting: This meeting will be held via Zoom. The meeting can be joined through the directions below:

** Individuals requiring special accommodation to attend and/or participate in the meeting please advise the District Manager (dsolin@sdmsi.com or 303-987-0835) of their specific need(s) before the meeting.*

<https://us02web.zoom.us/j/5469119353?pwd=SmtlcHJETFhCQUZEcVBBOGZVU3Fqdz09>

Phone Number: 1 (719) 359-4580

Meeting ID: 546 911 9353

Passcode: 912873

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Confirm location of the meeting and posting of meeting notices. Approve Agenda.

C. Review and approve Minutes of the January 23, 2024 Regular Meeting (enclosure).

II. PUBLIC COMMENT

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

III. FINANCIAL MATTERS

- A. Review and consider approval of the payment of claims through the period ending December 31, 2023, updated as of August 31, 2024 in the amount of \$154,678.69 and claims through the period ending September 24, 2024, in the amount of \$1,666.32 (enclosures).

- B. Review and accept unaudited financial statements for the period ending March 31, 2024 (enclosure).

- C. Conduct Public Hearing to consider Amendment to 2023 Budget and consider adoption of Resolution to Amend the 2023 Budget and Appropriate Expenditures (enclosure).

- D. Review and consider approval of 2023 Audit and authorize execution of Representations Letter (draft audit – enclosed)

IV. MANAGEMENT MATTERS

- A. Review Water Tracking Report (enclosure).

V. LEGAL MATTERS

- A. Discuss request from the City of Arvada to amend the Intergovernmental Agreement for Park Maintenance Between the City of Arvada, Colorado and Jefferson Center Metropolitan District No. 2 to clarify ownership and maintenance of Park Improvements.

VI. OTHER BUSINESS

- A. _____

VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR OCTOBER 22, 2024.**

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2 (THE
“DISTRICT”)
HELD
JANUARY 23, 2024**

A regular meeting of the Board of Directors Jefferson Center Metropolitan District No. 2 (referred to hereafter as the “Board”) was convened on Tuesday, January 23, 2024, at 9:30 a.m., and held via Zoom videoconference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Charles Church McKay, President
Gregg Bradbury, Treasurer
Jeff Nading, Assistant Secretary
Steve Nading, Assistant Secretary
Brandon Dooling, Assistant Secretary

Also, In Attendance Were:

David Solin; Special District Management Services, Inc.

Megan Becher, Esq.; McGeady Becher P.C.

Joy Tatton; Simmons & Wheeler, P.C.

Wes Back, Elesha Carbaugh-Gonzalez and Brandon Collins; Independent District Engineering Services, LLC

Gregg McKay; Member of the Public

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted by Attorney Becher that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin 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 Bradbury, seconded by Director McKay and, upon vote, unanimously carried, the agenda was approved.

Location of Meeting and Posting of Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Bradbury, seconded by Director McKay, and upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted at least 24-hours prior to each meeting on the District's website at: <https://jeffersoncentermd2.colorado.gov>. If posting on the website is unavailable, notice will be posted at the following physical location within the District's boundaries: on a post within the boundaries of the District.

Minutes: The Board reviewed the Minutes of the November 28, 2023 Regular Meeting.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director McKay and, upon vote, unanimously carried, the Minutes of the November 28, 2023 Regular Meeting were approved, as presented.

PUBLIC COMMENT

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered ratification or approval (as appropriate) of the payment of claims for the period ending December 19, 2023, in the amount of \$22,680.05 and claims through the period ending January 23, 2024, in the amount of \$3,959.87.

Following discussion, upon motion duly made by Director S. Nading, seconded by Director Dooling and, upon vote, unanimously carried, the Board ratified or approved (as appropriate) the payment of claims, as presented.

RECORD OF PROCEEDINGS

MANAGEMENT MATTERS

Water Tracking Report: Mr. Solin reviewed the Water Tracking Report with the Board.

LEGAL MATTERS

Resolution No. 2024-01-01, Resolution Adopting the Capital Improvement Program and Master Infrastructure Plan as Modified by Subsequent Construction Plans: The Board reviewed Resolution No. 2024-01-01, Resolution Adopting the Capital Improvement Program and Master Infrastructure Plan as Modified by Subsequent Construction Plans for 2024.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director S. Nading and, upon vote, unanimously carried, the Board adopted Resolution No. 2024-01-01, Resolution Adopting the Capital Improvement Program and Master Infrastructure Plan as Modified by Subsequent Construction Plans for 2024, subject to receipt of an updated exhibit from Independent District Engineering Services, LLC.

Issuance of Jefferson Center Metropolitan District No. 1's Second Subordinate Convertible Capital Appreciation Special Revenue Refunding Bonds, Series 2024C (the "2024 Bonds"): Attorney Becher and Director Bradbury updated the Board on the status of the proposed issuance of the 2024 Bonds and the appraisal of the Plains End Power Plant by Partner Valuation Advisors, LLC. No action was taken by the Board.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director J. Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the meeting was adjourned at 10:28 a.m.

Respectfully submitted,

By _____
Secretary for the Meeting

Vendor	Invoice #	Date	Amount in USD	Expense Account	Account Number	Department
City of Arvada	180751	11/29/2023	13,551.82	Stormwater IGA	7105	1
Colorado Special Districts Property and Liability Pool	26348	12/4/2023	60.00	Insurance	6700	1
Colorado Special Districts Property and Liability Pool	24PL-60923-2531 addl crime	12/4/2023	671.00	Prepaid insurance	1380	1
McGeady Becher P.C.	11 30 2023 779B	11/30/2023	333.30	Election expense	6350	1
McGeady Becher P.C.	11 30 2023 779B	11/30/2023	2,497.98	Legal	6750	1
McGeady Becher P.C.	09 30 2023 779B	9/30/2023	3,058.63	Legal	6750	1
Simmons & Wheeler, P.C.	36696	10/31/2023	1,294.72	Accounting	6170	1
Special District Management Services, Inc.	11 30 2023 JCMD2	11/30/2023	1,212.60	Management fees	6100	1
Simmons & Wheeler, P.C.	37144	12/31/2023	1,232.75	Accounting	6170	1
Simmons & Wheeler, P.C.	36898	11/30/2023	1,487.46	Accounting	6170	1
Special District Management Services, Inc.	12 31 2023 JCMD2	12/31/2023	1,239.66	Management fees	6100	1
City of Arvada	180961	1/31/2024	9,361.70	Fund balance	4500	1
Colorado Community Media	101004	11/24/2023	18.94	Fund balance	4500	1
Colorado Special Districts Property and Liability Pool	24WC-60923-0421	8/14/2023	450.00	Insurance	6700	1
McGeady Becher P.C.	01 31 2024 779B	1/31/2024	4,052.31	Legal	6750	1
McGeady Becher P.C.	12 31 2023 779B	12/31/2023	48.48	Fund balance	4500	1
Simmons & Wheeler, P.C.	37410	1/31/2024	2,533.85	Accounting	6170	1
Special District Management Services, Inc.	01 31 2024 JCMD2	1/31/2024	1,385.60	Management fees	6100	1
McGeady Becher P.C.	02 29 2024 779B	2/29/2024	339.36	Legal	6750	1
Simmons & Wheeler, P.C.	37696	2/29/2024	2,646.55	Accounting	6170	1
Special District Association of Col	2024	2/14/2024	403.09	Insurance	6700	1
Special District Management Services, Inc.	02 29 2024 JCMD2	2/29/2024	1,316.54	Management fees	6100	1
City of Arvada	181313	4/1/2024	14,877.92	Stormwater IGA	7105	1
McGeady Becher P.C.	03 31 2024 779B	3/31/2024	306.02	Legal	6750	1
Mountain Shadow Metropolitan Distri	2023 Whisper Village TIF	12/31/2023	56,126.97	Fund balance	4500	3
Special District Management Services, Inc.	03 31 2024 JCMD2	3/31/2024	783.80	Management fees	6100	1
Simmons & Wheeler, P.C.	37918	3/31/2024	1,366.63	Accounting	6170	1
McGeady Becher P.C.	04 30 2024 779B	4/30/2024	716.08	Legal	6750	1
Simmons & Wheeler, P.C.	38071	4/30/2024	1,137.09	Accounting	6170	1
Simmons & Wheeler, P.C.	37918	3/31/2024	1,366.63	Accounting	6170	1
Special District Management Services, Inc.	04 30 2024 JCMD2	4/30/2024	658.90	Management fees	6100	1
Special District Management Services, Inc.	05 31 2024 JCMD2	5/31/2024	222.40	Management fees	6100	1
McGeady Becher P.C.	05 31 2024 779B	5/31/2024	301.99	Legal	6750	1
Simmons & Wheeler, P.C.	38274	5/31/2024	1,288.12	Accounting	6170	1
Simmons & Wheeler, P.C.	38480	6/30/2024	1,084.87	Accounting	6170	1
Special District Management Services, Inc.	06 30 2024 JCMD2	6/30/2024	45.60	Management fees	6100	1
City of Arvada	181425	7/29/2024	20,633.45	Stormwater IGA	7105	1
McGeady Becher P.C.	06 30 2024 779B	6/30/2024	48.48	Legal	6750	1
McGeady Becher P.C.	07 31 2024 779B	7/31/2024	2,217.96	Legal	6750	1
Simmons & Wheeler, P.C.	38687	7/31/2024	1,764.74	Accounting	6170	1
Special District Management Services, Inc.	07 31 2024 JCMD2	7/31/2024	534.70	Management fees	6100	1

154,678.69

98,551.72 General

56,126.97 Capital

154,678.69

Vendor	Invoice #	Date	Amount in USD	Expense Account	Account Number	Department
McGeady Becher P.C.	08 31 2024 779B	8/31/2024	890.82	Legal	6750	1
Special District Management Services, Inc.	08 31 2024 JCMD2	8/31/2024	775.50	Management fees	6100	1
			<u>1,666.32</u>			

Jefferson Center Metropolitan District No. 1
Financial Statements

March 31, 2024

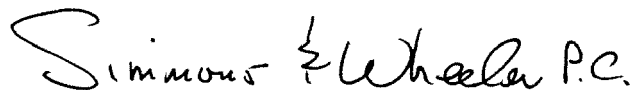
ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Jefferson Center Metropolitan District No. 1

Management is responsible for the accompanying financial statements of each major fund of Jefferson Center Metropolitan District No. 1, as of and for the period ended March 31, 2024, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the three months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Jefferson Center Metropolitan District No. 1 because we performed certain accounting services that impaired our independence.

Handwritten signature of Simmons & Wheeler P.C. in black ink.

June 15, 2024
Englewood, Colorado

Jefferson Center Metropolitan District No.1
Combined Balance Sheet
March 31, 2024

See Accountant's Compilation Report

	<u>General</u>	<u>Capital</u>	<u>Debt</u>	<u>Account</u>	<u>Total</u>
Assets	<u>Fund</u>	<u>Projects</u>	<u>Service</u>	<u>Groups</u>	<u>All Funds</u>
Current assets					
Cash checking	\$ -	\$ 309,543	\$ -	\$ -	\$ 309,543
Cash - Colotrust	172,907	283,097	437,146	-	893,150
Cash - Trustee	-	18,532,172	17,817,723	-	36,349,895
Cash with County Treasurer	12,265	-	122,748	-	135,013
AURA receivable	117,070	-	826,725	-	943,795
Prepaid expense	5,000	-	-	-	5,000
Due from JCMD #2	-	-	136,864	-	136,864
	<u>307,242</u>	<u>19,124,812</u>	<u>19,341,206</u>	<u>-</u>	<u>38,773,260</u>
Other assets					
Fixed assets	-	-	-	72,929,681	72,929,681
Amount available in debt service fund	-	-	-	19,341,206	19,341,206
Amount to be provided for retirement of debt	-	-	-	127,347,352	127,347,352
	<u>-</u>	<u>-</u>	<u>-</u>	<u>219,618,239</u>	<u>219,618,239</u>
	<u>\$ 307,242</u>	<u>\$ 19,124,812</u>	<u>\$ 19,341,206</u>	<u>\$ 219,618,239</u>	<u>\$ 258,391,499</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 21,610	\$ 498,755	\$ -	\$ -	\$ 520,365
Retainage payable	-	656,749	-	-	656,749
Due to JCMD #2	47,205	-	-	-	47,205
	<u>68,815</u>	<u>1,155,504</u>	<u>-</u>	<u>-</u>	<u>1,224,319</u>
Refunding Revnue Loan, Series 2020A-1	-	-	-	23,325,000	23,325,000
Special Revenue Bonds, Series 2020A-2	-	-	-	16,265,000	16,265,000
Subordinate Special Revenue Bonds, Series 2020B	-	-	-	80,975,000	80,975,000
Line of Credit - Series 2010B	-	-	-	24,876,503	24,876,503
Accrued interest - Series 2010B	-	-	-	1,247,055	1,247,055
	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,688,558</u>	<u>146,688,558</u>
Total liabilities	<u>68,815</u>	<u>1,155,504</u>	<u>-</u>	<u>146,688,558</u>	<u>147,912,877</u>
Fund equity and other credits					
Investment in fixed assets	-	-	-	72,929,681	72,929,681
Fund balance - Reserve Fund	-	-	11,653,268	-	11,653,268
Fund balance - Cap I Fund	-	-	12,036	-	12,036
Fund balance - Surplus Fund - \$3,578,798 max	-	-	3,578,798	-	3,578,798
Fund balance	238,427	17,969,308	4,097,104	-	22,304,839
	<u>238,427</u>	<u>17,969,308</u>	<u>19,341,206</u>	<u>72,929,681</u>	<u>110,478,622</u>
	<u>\$ 307,242</u>	<u>\$ 19,124,812</u>	<u>\$ 19,341,206</u>	<u>\$ 219,618,239</u>	<u>\$ 258,391,499</u>

Jefferson Center Metropolitan District No. 1
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Three Months Ended March 31, 2024
General Fund

See Accountant's Compilation Report

	<u>Annual</u> <u>Budget</u>	<u>Actual</u> <u>3 Months</u>	<u>Actual</u> <u>Year to</u> <u>Date</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues				
Property taxes	\$ 418,028	\$ 151,288	\$ 151,288	\$ (266,740)
Less AURA portion of District taxes	(187,832)	(117,070)	(117,070)	70,762
Specific ownership taxes	25,082	6,609	6,609	(18,473)
AURA tax increment	187,832	117,070	117,070	(70,762)
Interest income	50,000	9,462	9,462	(40,538)
	<u>493,110</u>	<u>167,359</u>	<u>167,359</u>	<u>(325,751)</u>
Expenditures				
Accounting	20,000	6,547	6,547	13,453
Audit	5,500	-	-	5,500
Election expense	2,000	73	73	1,927
Insurance	6,250	5,917	5,917	333
Landscape maintenance	31,600	8,601	8,601	22,999
Landscape repairs	15,000	4,111	4,111	10,889
Legal	55,000	26,655	26,655	28,345
Management fees	32,000	10,423	10,423	21,577
Miscellaneous	2,000	50	50	1,950
Office supplies	1,000	-	-	1,000
Project management	5,000	-	-	5,000
Repairs and maintenance	60,000	8,802	8,802	51,198
Snow removal	3,000	3,770	3,770	(770)
Treasurer fees	6,270	513	513	5,757
Utilities	10,000	1,669	1,669	8,331
Transfer to JCMD #2 General Fund	57,515	13,138	13,138	44,377
Transfer to Mt Shadows for O&M	15,103	-	-	15,103
Emergency reserve	7,639	-	-	7,639
Contingency	333,651	-	-	333,651
	<u>668,528</u>	<u>90,269</u>	<u>90,269</u>	<u>578,259</u>
Excess (deficiency) of revenues over expenditures	(175,418)	\$ <u><u>77,090</u></u>	77,090	252,508
Fund balance beginning	<u>175,418</u>		<u>161,337</u>	<u>(14,081)</u>
Fund balance ending	<u>\$ -</u>		<u>\$ 238,427</u>	<u>\$ 238,427</u>

Jefferson Center Metropolitan District No. 1
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Three Months Ended March 31, 2024
Capital Projects Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual 3 Months</u>	<u>Actual Year to Date</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Interest income	\$ 1,000,000	\$ 254,445	\$ 254,445	\$ (745,555)
Other reimbursements	-	15,000	15,000	15,000
Developer advances	<u>15,000,000</u>	<u>11,592,612</u>	<u>11,592,612</u>	<u>(3,407,388)</u>
	<u>16,000,000</u>	<u>11,862,057</u>	<u>11,862,057</u>	<u>(4,137,943)</u>
Expenditures				
Legal	40,000	17,516	17,516	22,484
Capital outlay	33,892,155	13,100,812	13,100,812	20,791,343
Project management	500,000	197,347	197,347	302,653
Miscellaneous	-	4,565	4,565	(4,565)
Engineering	<u>900,000</u>	<u>140,289</u>	<u>140,289</u>	<u>759,711</u>
	<u>35,332,155</u>	<u>13,460,529</u>	<u>13,460,529</u>	<u>21,871,626</u>
Excess (deficiency) of revenues over expenditures	(19,332,155)	\$ <u><u>(1,598,472)</u></u>	(1,598,472)	17,733,683
Fund balance beginning	<u>19,332,155</u>		<u>19,567,780</u>	<u>235,625</u>
Fund balance ending	\$ <u><u>-</u></u>		\$ <u><u>17,969,308</u></u>	\$ <u><u>17,969,308</u></u>

Jefferson Center Metropolitan District No. 1
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Three Months Ended March 31, 2024
Debt Service Fund

See Accountant's Compilation Report

	Annual <u>Budget</u>	Actual <u>3 Months</u>	Actual <u>Year to Date</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues				
Property taxes	\$ 4,183,700	\$ 1,514,121	\$ 1,514,121	\$ (2,669,579)
Less AURA portion of District taxes	(1,879,860)	(1,171,660)	(1,171,660)	708,200
Specific ownership taxes	251,022	66,138	66,138	(184,884)
Interest income	800,000	195,763	195,763	(604,237)
Transfer from District #2 DS	2,697,471	1,158,593	1,158,593	(1,538,878)
AURA tax increment	1,879,860	1,171,660	1,171,660	(708,200)
AURA increment - other governments	1,799,108	834,737	834,737	(964,371)
	<u>9,731,301</u>	<u>3,769,352</u>	<u>3,769,352</u>	<u>(5,961,949)</u>
Expenditures				
Transfer to District #2/Vauxmont - Debt Service	1,799,108	834,737	834,737	964,371
Series 2020 A-1 Principal	1,855,000	-	-	1,855,000
Series 2020 A-1 Interest	466,500	-	-	466,500
Series 2020 A-2 Interest	696,919	-	-	696,919
Series 2020B Interest	4,656,063	-	-	4,656,063
Paying agent fees	7,000	-	-	7,000
Treasurer's fees	62,756	5,137	5,137	57,619
	<u>9,543,346</u>	<u>839,874</u>	<u>839,874</u>	<u>8,703,472</u>
Excess (deficiency) of revenues over expenditures	187,955	\$ <u><u>2,929,478</u></u>	2,929,478	2,741,523
Fund balance beginning	<u>16,696,670</u>		<u>16,411,728</u>	<u>(284,942)</u>
Fund balance ending	\$ <u><u>16,884,625</u></u>		\$ <u><u>19,341,206</u></u>	\$ <u><u>2,456,581</u></u>

Jefferson Center Metropolitan District No. 2
Financial Statements

March 31, 2024

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Jefferson Center Metropolitan District No. 2

Management is responsible for the accompanying financial statements of each major fund of Jefferson Center Metropolitan District No. 2, as of and for the period ended March 31 2024, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the three months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Jefferson Center Metropolitan District No. 2 because we performed certain accounting services that impaired our independence.

Simmons & Wheeler P.C.

June 15, 2024
Englewood, Colorado

Jefferson Center Metropolitan District No.2
Combined Balance Sheet
March 31, 2024

See Accountant's Compilation Report

		<u>General</u>	<u>Capital</u>	<u>Debt</u>	<u>Account</u>	<u>Total</u>
Assets		<u>Fund</u>	<u>Projects</u>	<u>Service</u>	<u>Groups</u>	<u>All Funds</u>
Current assets						
Cash checking	\$	-	\$ 19,679	\$ -	\$ -	\$ 19,679
Cash Colotrust		-	97,535	-	-	97,535
Due from AURA		-	-	192,992	-	192,992
Due from JCMD #1		47,205	-	-	-	47,205
Due from other districts		72,632	-	-	-	72,632
Due from other funds		-	79,214	-	-	79,214
		<u>-</u>	<u>79,214</u>	<u>-</u>	<u>-</u>	<u>79,214</u>
		<u>119,837</u>	<u>196,428</u>	<u>192,992</u>	<u>-</u>	<u>509,257</u>
Other assets						
Fixed assets		-	-	-	2,282,912	2,282,912
Amount to be provided for retirement of debt		-	-	-	14,156,480	14,156,480
		<u>-</u>	<u>-</u>	<u>-</u>	<u>14,156,480</u>	<u>14,156,480</u>
		<u>-</u>	<u>-</u>	<u>-</u>	<u>16,439,392</u>	<u>16,439,392</u>
	\$	<u>119,837</u>	\$ <u>196,428</u>	\$ <u>192,992</u>	\$ <u>16,439,392</u>	\$ <u>16,948,649</u>
Liabilities and Equity						
Current liabilities						
Accounts payable	\$	73,461	\$ -	\$ -	\$ -	\$ 73,461
Due to JCMD#1		-	-	136,864	-	136,864
Due to other funds		23,086	-	56,128	-	79,214
		<u>96,547</u>	<u>-</u>	<u>192,992</u>	<u>-</u>	<u>289,539</u>
Mountain Shadows Pledge Agreement		-	-	-	7,000,000	7,000,000
Accrued Interest - Mountain Shadows		-	-	-	7,156,480	7,156,480
		<u>-</u>	<u>-</u>	<u>-</u>	<u>14,156,480</u>	<u>14,156,480</u>
Total liabilities		<u>96,547</u>	<u>-</u>	<u>192,992</u>	<u>14,156,480</u>	<u>14,446,019</u>
Fund equity and other credits						
Investment in fixed assets		-	-	-	2,282,912	2,282,912
Fund balance - unreserved		23,290	196,428	-	-	219,718
		<u>23,290</u>	<u>196,428</u>	<u>-</u>	<u>2,282,912</u>	<u>2,502,630</u>
	\$	<u>119,837</u>	\$ <u>196,428</u>	\$ <u>192,992</u>	\$ <u>16,439,392</u>	\$ <u>16,948,649</u>

Jefferson Center Metropolitan District No.2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Three Months Ended March 31, 2024
General Fund

See Accountant's Compilation Report

	<u>Annual</u> <u>Budget</u>	<u>Actual</u> <u>3 Months</u>	<u>Actual</u> <u>Year to</u> <u>Date</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues				
Transfer from JCMD #1	\$ 57,515	\$ 13,138	\$ 13,138	\$ (44,377)
Transfer from Mountain Shadows	22,811	5,211	5,211	(17,600)
Transfer from Canyon Pines	9	2	2	(7)
Transfer from Cimarron/Vauxmont	<u>82,471</u>	<u>16,334</u>	<u>16,334</u>	<u>(66,137)</u>
	<u>162,806</u>	<u>34,685</u>	<u>34,685</u>	<u>(128,121)</u>
Expenditures				
Audit	5,500	-	-	5,500
Accounting	20,000	6,547	6,547	13,453
Election expense	1,000	-	-	1,000
Insurance	4,650	5,009	5,009	(359)
Legal	30,000	4,698	4,698	25,302
Management fees	25,000	3,486	3,486	21,514
Miscellaneous	2,001	-	-	2,001
Office supplies	1,500	-	-	1,500
Stormwater IGA	65,650	14,878	14,878	50,772
Emergency reserve	4,659	-	-	4,659
Contingency	<u>23,290</u>	<u>-</u>	<u>-</u>	<u>23,290</u>
	<u>183,250</u>	<u>34,618</u>	<u>34,618</u>	<u>148,632</u>
Excess (deficiency) of revenues over expenditures	(20,444)	\$ <u><u>67</u></u>	67	20,511
Fund balance beginning	<u>20,444</u>		<u>23,223</u>	<u>2,779</u>
Fund balance ending	\$ <u><u>-</u></u>		\$ <u><u>23,290</u></u>	\$ <u><u>23,290</u></u>

Jefferson Center Metropolitan District No.2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Three Months Ended March 31, 2024
Capital Projects Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual 3 Months</u>	<u>Actual Year to Date</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Mt Shadows AURA Increment	\$ 407,624	\$ 109,843	\$ 109,843	\$ (297,781)
AURA Arvada Fire Dept	2,440,561	1,119,596	1,119,596	(1,320,965)
Interest income	-	1,326	1,326	1,326
	<u>2,848,185</u>	<u>1,230,765</u>	<u>1,230,765</u>	<u>(1,617,420)</u>
Expenditures				
Arvada Fire Construction	2,440,561	1,119,596	1,119,596	1,320,965
Mt Shadow Pledge Agreement Interest	407,624	109,843	109,843	297,781
Transfer to JCMD1 General Fund	97,408	-	-	97,408
Transfer to Vauxmont	97,409	-	-	97,409
	<u>3,043,002</u>	<u>1,229,439</u>	<u>1,229,439</u>	<u>1,813,563</u>
Excess (deficiency) of revenues over expenditures	(194,817)	\$ <u>1,326</u>	1,326	196,143
Fund balance beginning	<u>194,817</u>		<u>195,102</u>	<u>285</u>
Fund balance ending	<u>\$ -</u>		<u>\$ 196,428</u>	<u>\$ 196,428</u>

Jefferson Center Metropolitan District No.2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Three Months Ended March 31, 2024
Debt Service Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual 3 Months</u>	<u>Actual Year to Date</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Transfer from District #1	\$ 1,799,108	\$ 834,737	\$ 834,737	\$ (964,371)
Mt Shadows AURA Increment	365,922	154,152	154,152	(211,770)
Vauxmont AURA Increment	7,481,436	3,119,886	3,119,886	(4,361,550)
JCMD NW AURA Increment	<u>2,697,471</u>	<u>1,158,593</u>	<u>1,158,593</u>	<u>(1,538,878)</u>
	<u>12,343,937</u>	<u>5,267,368</u>	<u>5,267,368</u>	<u>(7,076,569)</u>
Expenditures				
Transfer to Vauxmont - Cimarron Pledge Agreement	9,646,466	4,108,775	4,108,775	5,537,691
Transfer to District #1	<u>2,697,471</u>	<u>1,158,593</u>	<u>1,158,593</u>	<u>1,538,878</u>
	<u>12,343,937</u>	<u>5,267,368</u>	<u>5,267,368</u>	<u>7,076,569</u>
Excess (deficiency) of revenues over expenditures	-	<u>\$ -</u>	-	-
Fund balance beginning	<u>-</u>		<u>-</u>	<u>-</u>
Fund balance ending	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>

RESOLUTION 2024-09-01
RESOLUTION TO AMEND 2023 BUDGET
JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

WHEREAS, the Board of Directors of the Jefferson Center Metropolitan District No. 2 adopted a budget and appropriated funds for the fiscal year 2023 as follows:

General Fund	\$	182,477
Debt Service Fund	\$	9,306,642
Capital Projects Fund	\$	2,071,210

WHEREAS, the necessity has arisen for additional expenditures in the Capital Projects Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2023; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the Capital Projects Fund from the Mt. Shadows AURA Increment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Jefferson Center Metropolitan District No. 2 shall and hereby does amend the adopted Budget for the fiscal year 2023 and adopts a supplemental budget and appropriation for the Capital Projects Fund for the fiscal year 2023, as follows:

Capital Projects Fund:	\$	2,160,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 24th day of September, 2024.

JEFFERSON CENTER METROPOLITAN
DISTRICT NO. 2

By: _____
Secretary

Jefferson Center Metropolitan District No. 2
Amended Budget
Capital Project Fund
For the Year ended December 31, 2023

	Adopted Budget <u>2023</u>	Amended Budget <u>2023</u>
Beginning fund balance	\$ -	\$ 190,158
Revenues:		
AURA Intergovernmental AFPD	1,851,404	1,762,000
Mt Shadows AURA Increment on 77.609 mills	219,806	390,000
Interest income	-	5,000
	<u>2,071,210</u>	<u>2,157,000</u>
Total revenues		
	<u>2,071,210</u>	<u>2,347,158</u>
Total funds available		
	<u>2,071,210</u>	<u>2,347,158</u>
Expenditures:		
Legal	-	-
Paying agent fees	-	-
Arvada Fire Construction	1,851,404	1,765,000
Transfer to Vauxmont	-	-
Transfer to JCMD 1 General Fund	-	-
Mt Shadow Pledge Agreement Interest	219,806	395,000
	<u>2,071,210</u>	<u>2,160,000</u>
Total expenditures		
	<u>2,071,210</u>	<u>2,160,000</u>
Ending fund balance	\$ -	\$ 187,158
Mt Shadows NW AURA Increment AV	<u>\$ 6,561,517</u>	<u>\$ 6,561,517</u>
Vauxmont NW AURA Increment AV	<u>\$ 67,836,407</u>	<u>\$ 67,836,407</u>
JCMD NW AURA Increment AV	<u>\$ 23,645,084</u>	<u>\$ 23,121,530</u>

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Financial Statements

Year Ended December 31, 2023

with

Independent Auditors' Report

DRAFT 09.19.2024

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JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS						
Cash and investments - restricted	\$ -	\$ -	\$ 142,407	\$ 142,407	\$ -	\$ 142,407
Prepaid expenses	4,156	-	-	4,156	-	4,156
Due from JCMD #1	34,066	-	56,127	90,193	-	90,193
Due from other districts	51,080	-	-	51,080	-	51,080
Due from other funds	-	-	52,696	52,696	(52,696)	-
Water rights	-	-	-	-	572,813	572,813
Tap allocation option rights	-	-	-	-	1,230,000	1,230,000
Construction in progress	-	-	-	-	480,099	480,099
Total Assets	<u>\$ 89,302</u>	<u>\$ -</u>	<u>\$ 251,230</u>	<u>\$ 340,532</u>	<u>2,230,216</u>	<u>2,570,748</u>
LIABILITIES						
Accounts payable	\$ 13,389	\$ -	\$ -	\$ 13,389	-	13,389
Due to Mountain Shadows	-	-	56,127	56,127	-	56,127
Due to other funds	52,696	-	-	52,696	(52,696)	-
Long-term liabilities:						
Due in more than one year	-	-	-	-	14,107,559	14,107,559
Total Liabilities	<u>66,085</u>	<u>-</u>	<u>56,127</u>	<u>122,212</u>	<u>14,054,863</u>	<u>14,177,075</u>
FUND BALANCES						
Fund Balances:						
Nonspendable:						
Prepays	4,156	-	-	4,156	(4,156)	-
Restricted:						
Emergencies	4,659	-	-	4,659	(4,659)	-
Capital projects	-	-	195,103	195,103	(195,103)	-
Assigned:						
Subsequent year's expenditures	14,402	-	-	14,402	(14,402)	-
Total Fund Balances	<u>23,217</u>	<u>-</u>	<u>195,103</u>	<u>218,320</u>	<u>(218,320)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 89,302</u>	<u>\$ -</u>	<u>\$ 251,230</u>	<u>\$ 340,532</u>		
NET POSITION						
Net investment in capital assets					(12,304,746)	(12,304,746)
Restricted for:						
Emergencies					4,659	4,659
Capital projects					195,103	195,103
Unrestricted					498,657	498,657
Total Net Position					<u>\$(11,606,327)</u>	<u>\$(11,606,327)</u>

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

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES						
Accounting and audit	\$ 28,570	\$ -	\$ -	\$ 28,570	\$ -	\$ 28,570
Election expense	1,456	-	-	1,456	-	1,456
Insurance	4,542	-	-	4,542	-	4,542
Legal	27,462	-	-	27,462	-	27,462
Management fees	11,496	-	-	11,496	-	11,496
Miscellaneous expenses	105	-	-	105	-	105
Stormwater IGA	60,693	-	-	60,693	-	60,693
Transferred to Vauxmont Metro District - Vauxmont Pledge	-	7,135,457	-	7,135,457	-	7,135,457
Transfer to JCMD #1	-	1,741,753	-	1,741,753	-	1,741,753
Transfer to AURA Arvada Fire Dept	-	-	1,761,104	1,761,104	-	1,761,104
Capital pledge agreement interest expense	-	-	388,991	388,991	261,143	650,134
Total Expenditures	<u>134,324</u>	<u>8,877,210</u>	<u>2,150,095</u>	<u>11,161,629</u>	<u>261,143</u>	<u>11,422,772</u>
GENERAL REVENUES						
Transfer from JCMD #1	55,309	1,428,896	-	1,484,205	-	1,484,205
Transfer from Mountain Shadows Metro District	21,624	-	-	21,624	-	21,624
Transfer from Canyon Pines	7	-	-	7	-	7
Transfer from Cimarron/Vauxmont	60,157	-	-	60,157	-	60,157
Mt Shadows Northwest AURA Increment	-	310,039	388,991	699,030	-	699,030
Vauxmont Northwest AURA Increment	-	5,452,649	-	5,452,649	-	5,452,649
JCMD#1 Northwest AURA Increment	-	1,685,626	-	1,685,626	-	1,685,626
AURA Arvada Fire Department	-	-	1,761,104	1,761,104	-	1,761,104
Interest income	-	-	4,945	4,945	-	4,945
Total General Revenues	<u>137,097</u>	<u>8,877,210</u>	<u>2,155,040</u>	<u>11,169,347</u>	<u>-</u>	<u>11,169,347</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,773	-	4,945	7,718	(261,143)	(253,425)
NET CHANGES IN FUND BALANCES	2,773	-	4,945	7,718	(7,718)	-
CHANGE IN NET POSITION					(253,425)	(253,425)
FUND BALANCES/NET POSITION:						
BEGINNING OF YEAR	20,444	-	190,158	210,602	(11,563,504)	(11,352,902)
END OF YEAR	<u>\$ 23,217</u>	<u>\$ -</u>	<u>\$ 195,103</u>	<u>\$ 218,320</u>	<u>\$ (11,824,647)</u>	<u>\$ (11,606,327)</u>

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

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

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

For the Year Ended December 31, 2023

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Transfer from JCMD #1	\$ 64,219	\$ 55,309	\$ (8,910)
Transfer from Mountain Shadows Metro District	25,107	21,624	(3,483)
Transfer from Canyon Pines	7	7	-
Transfer from Cimarron/Vauxmont	<u>69,855</u>	<u>60,157</u>	<u>(9,698)</u>
Total Revenues	<u>159,188</u>	<u>137,097</u>	<u>(22,091)</u>
EXPENDITURES			
Accounting and audit	25,500	28,570	(3,070)
Election expense	500	1,456	(956)
Insurance	4,400	4,542	(142)
Legal	30,000	27,462	2,538
Management fees	25,000	11,496	13,504
Miscellaneous expenses	2,000	105	1,895
Office supplies	1,500	-	1,500
Stormwater IGA	65,650	60,693	4,957
Contingency	23,290	-	23,290
Emergency reserve	<u>4,637</u>	<u>-</u>	<u>4,637</u>
Total Expenditures	<u>182,477</u>	<u>134,324</u>	<u>48,153</u>
 NET CHANGE IN FUND BALANCE	 (23,289)	 2,773	 26,062
FUND BALANCE:			
BEGINNING OF YEAR	<u>23,289</u>	<u>20,444</u>	<u>(2,845)</u>
END OF YEAR	<u>\$ -</u>	<u>\$ 23,217</u>	<u>\$ 23,217</u>

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

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Jefferson Center Metropolitan District No. 2, located in Jefferson County, Colorado, conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized on June 29, 2004, as a quasi-municipal corporation established under the State of Colorado Special District Act. The District along with Jefferson Center Metropolitan District No. 1 (“JCMD No. 1”), Vauxmont Metropolitan District, Cimarron Metropolitan District, Canyon Pines Metropolitan District, and Mountain Shadows Metropolitan District (collectively, the “Districts”), each of which was organized in 2004 (except JCMD No. 1, organized in 1989), serve a service area which is located primarily in the City of Arvada, with some portions outside the City in unincorporated Jefferson County. The Districts were established to finance and construct water, sanitary and storm sewer, streets, limited fire protection services, park and recreation, safety protection, mosquito control, television relay and transmission, and transportation facilities and services. Pursuant to a contractual arrangement described herein, the District (the “Service District”) is responsible for managing the financing, construction, operation, and maintenance of certain regional improvements to benefit the service area as well as providing certain administrative services for the Districts. The Jefferson Center Metropolitan District No. 1, Vauxmont Metropolitan District, Cimarron Metropolitan District, Canyon Pines Metropolitan District, and Mountain Shadows Metropolitan District (the “Financing Districts”) are responsible for providing certain funding needed to support the Service District’s provision for services. The District’s primary revenues are property taxes pledged from JCMD No. 1 and incremental property taxes collected from within the urban renewal area pursuant to an agreement with the City and Arvada Urban Renewal Authority, described herein. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB Pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets 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 pronouncements also require including a possible component unit if it would be misleading to exclude it.

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

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

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

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

On XXX, 2024, the District amended its total appropriations in the Capital Projects Fund from \$2,071,210 to \$2,160,000 primarily due to the increase in the overlapping AURA increment mill levies.

Assets, Liabilities, Deferred Inflow/Outflows of Resources and Net Position

Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2023, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

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 minimum number of bank accounts. 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.

Interfund Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the Statement of Net Position.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any items that qualify for reporting under this section at December 31, 2023.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District does not have any items that qualify for reporting under this section at December 31, 2023.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. No depreciation expense was recognized during 2023.

Fund Balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

The nonspendable fund balance in the General Fund in the amount of \$4,156 represents prepaid expenditures.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$4,659 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Capital Projects Fund in the amount of \$195,103 is reserved for capital improvements within the District.

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a 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

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

The assigned fund balance in the General Fund represents the amount appropriated for use in the budget for the year ending December 31, 2024.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all other funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District may report three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District will use the most restrictive net position first.

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Note 2: Cash and Investments

As of December 31, 2023, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and investments – Restricted	\$ <u>142,407</u>
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Cash and investments as of December 31, 2023, consist of the following:

Deposits with financial institutions	\$ 46,191
Investments – COLOTRUST	<u>96,216</u>
	\$ <u>142,407</u>

Deposits

Custodial Credit Risk

The Colorado Public Deposit Protection Act, (“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 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 is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District does not have a formal policy for deposits. None of the District’s deposits were exposed to custodial credit risk.

Investments

Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District’s investments are not required to be categorized within the fair value hierarchy. This investments’ value are calculated using the net asset value method (NAV) per share.

As of December 31, 2023, the District had the following investment:

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust (“COLOTRUST”) is rated AAAM by Standard & Poor’s with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. The trusts operate similarly to a money market fund with each share maintaining a value of \$1.00. The COLOTRUST offers shares in three portfolios, one of which is COLOTRUST PLUS+. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (NAV) of \$1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian’s internal records identify the investments owned by participating governments. There are no unfunded commitments and there is no redemption notice period. At December 31, 2023, the District had \$96,216 invested in COLOTRUST.

Credit Risk

The District’s investment policy requires that the District follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District’s investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Note 3: Long Term Debt

As of December 31, 2023, the District had remaining voted debt authorization of approximately \$4,460,000,000. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District’s service area. The District has not budgeted to issue any additional debt in 2024.

A description of the long-term obligations as of December 31, 2023, is as follows:

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Mountain Shadows Pledge Agreement

On November 1, 2010, as amended May 5, 2015, the District and Mountain Shadows Metropolitan District (“MSMD”) entered into that certain Capital Pledge Agreement (JCMD No. 2/Mountain Shadows – 2010) (“MSMD Pledge Agreement”) whereby, in order to facilitate the provision of certain public infrastructure for the benefit of property within the service area of the District and the boundaries of MSMD, the District determined to pledge to MSMD certain tax increment revenues received by the District pursuant to the Amended MRA (defined below).

Pursuant to the MSMD Pledge Agreement, MSMD is obligated to finance and/or acquire certain facilities described therein and, in exchange for the provision of such facilities, the District agrees to reimburse MSMD for the costs associated with such facilities in an amount not to exceed \$7,000,000, plus interest and bond costs. Interest accrued under the MSMD Pledge Agreement at the rate of 8% per annum until February 20, 2017, computed on the basis of a 365-day year, actual days elapsed. Interest is payable each December 1 and June 1 to MSMD or its designee.

On March 10, 2017, the District and MSMD entered into that certain Amended and Restated Capital Pledge Agreement (the “Amended and Restated Pledge Agreement”) which supersedes and replaced the MSMD Pledge Agreement in its entirety. The Amended and Restated Pledge Agreement acknowledges the District’s current obligation to pledge to MSMD certain tax increment revenues received by the District pursuant to the Amended MRA. The Amended and Restated Pledge Agreement also releases certain property for which the Mis-Pledged Revenues (defined in the Reconciliation Agreement, below) were attributed to, from any future pledge obligation. Pursuant to the MSMD Pledge Agreement, MSMD was obligated to construct certain improvements, including the Indiana Improvements (defined therein) and if MSMD did not construct the Indiana Improvements by a certain date, the District would be obligated to construct the same. MSMD constructed all the improvements with the exception of certain Indiana Improvements. The Amended and Restated Pledge Agreement releases the District from any obligation to construct the remaining Indiana Improvements, as such obligation is assumed by JCMD No. 1 (as defined below) pursuant to the Reconciliation Agreement (defined below).

The reimbursement obligation of the District under the Amended and Restated Pledge Agreement is a limited obligation of the District payable solely from and to the extent of certain pledged revenues described therein, including 42% of the tax increment revenues received by the District pursuant to the Amended MRA from certain specifically identified properties within the Northwest Arvada Urban Renewal Area. The District is to transmit such pledged revenue to MSMD or its designee in advance of the MSMD Revenue Bonds due dates (currently June 1 and December 1). Interest accrues on the reimbursement obligation under the Amended and Restated Pledge Agreement at the rate of 5.71% per annum from March 10, 2017, computed on the basis of a 365-day year, actual days elapsed. The Amended and Restated Pledge Agreement terminates upon the earlier of: (1) the date on which reimbursement has been made in full thereunder and/or

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

all Revenue Bonds permitted to be issued by MSMD have been paid or defeased; or (2) the Northwest Financing Termination Date (as defined in the Amended MRA). As of December 31, 2023, the principal amount of the reimbursement obligation under the Amended and Restated Pledge Agreement was \$7,000,000 along with accrued interest in the amount of \$7,107,559.

Agreement Regarding Indiana Street Improvements and Interim Revenue Reconciliation

On March 2, 2017, the District, Jefferson Center Metropolitan District No. 1 (“JCMD No. 1”) and MSMD entered into that certain Agreement Regarding Indiana Improvements and Interim Revenue Reconciliation (the “Reconciliation Agreement”) whereby, the District agreed to release certain pledged revenues, in the amount of \$493,628.04, obligated to MSMD pursuant to the MSMD Pledge Agreement and MSMD agreed to pay the District \$85,207.00, as required under the FFCO (defined below). Pursuant to the Reconciliation Agreement, JCMD No. 1 also agreed to pay MSMD the present value of the Mis-Pledged Revenues in an amount of \$299,442.00, releasing the District from any further obligation thereof.

Assignment and Assumption of Agreements and Obligations from Jefferson Center Metropolitan JCMD No. 1

On April 4, 2005, the District entered into an agreement with JCMD No. 1 whereby the District assumed certain agreements and corresponding rights to revenues and obligations of JCMD No. 1; including the Intergovernmental Agreement (“Current IGA”) with the City of Arvada (“Arvada”), dated April 4, 2005 and amended January 11, 2010; the Master Redevelopment Agreement (the “MRA”) with the City of Arvada and the Arvada Urban Renewal Authority (“AURA”), dated April 4, 2005, and amended on January 11, 2010; the Operation and Capital Funding Reimbursement Agreement with Jefferson Center Associates, Ralston Development Corporation, Charles C. McKay, Cimarron Park, LLC, and Howard W. Lacy (“Lacy”), a developer of land in the District, dated September 30, 2002; the Deferred Reimbursement Agreement with the Consolidated Mutual Water Company, dated November 20, 1998; the PG&E reimbursement resolution, dated October 23, 2001; and the Memorandum of Understanding with Alkire Investments dated April 19, 2004.

Amended and Restated Capital Pledge Agreement and Assignment Agreement

On June 11, 2015, the District entered into an Amended and Restated Capital Pledge Agreement and Assignment Agreement with JCMD No. 1, Vauxmont Metropolitan District (“Vauxmont”), and U.S. Bank National Association in its capacity as trustee for the Bonds, as amended by the First Amendment to Amended and Restated Capital Pledge Agreement and Assignment Agreement dated December 19, 2019, (“Pledge and Assignment Agreement”). The Pledge and Assignment Agreement replaced and superseded the Capital Pledge Agreement dated July 1, 2007 between JCMD No. 1 and the District. Pursuant to the Pledge and Assignment Agreement, the parties recognize Vauxmont’s issuance of the Bonds and agree to pledge certain revenues to support the repayment thereof.

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Specifically, pursuant to the Pledge and Assignment Agreement, the District pledges the “Vauxmont Revenue” to the repayment of the Series 2015A Bonds, the Series 2015C Bonds, the Series 2015D Bonds and the Series 2015E Note, or any debt issued to refund the same. The Vauxmont Revenue is defined in the Pledge and Assignment Agreement as the sum of the certain incremental property tax revenues received by the District from AURA pursuant to the MRA.

Also, in accordance with the Pledge and Assignment Agreement, the District separately pledges the “Series 2015B TIF Revenues” to the repayment of the Series 2015B Bonds, or any debt issued to refund the same. The Series 2015B TIF Revenues are defined as certain incremental property tax revenues derived in accordance with the MRA from properties within both JCMD No. 1 and the Northwest Arvada Urban Renewal Area (“NWAURA”) less certain administrative fees and annual stormwater costs, as described in the agreement.

Finally, pursuant to the Pledge and Assignment Agreement, the District pledges certain “Impact Fees” received by the District pursuant to a Resolution of the District adopted on December 20, 2005 to the repayment of the Series 2015A Bonds.

Parkway Capital Pledge Agreement

On November 1, 2010, as amended on June 11, 2015, the District and JCMD No. 1 entered into that certain Capital Pledge Agreement (JCMD No. 1/JCMD No. 2 – Jefferson Parkway) (“Parkway Pledge Agreement”) whereby, in order to facilitate the acquisition of certain right-of-way for the provision of highway access for the benefit of the constituents of the District’s service area, the District determined to pledge certain tax increment revenues it receives pursuant to the Amended MRA to JCMD No. 1. Pursuant to the Parkway Pledge Agreement, JCMD No. 1 is obligated to finance and/or acquire the right-of-way property and, in exchange for the provision of such right-of-way property, the District agrees to reimburse JCMD No. 1 for the cost of the right-of-way in an amount not to exceed \$11,762,000, plus interest and bond costs. Interest accrues on the balance owed under the Parkway Pledge Agreement at the rate of 8% per annum, computed on the basis of a 365-day year, actual days elapsed, and is payable each December 1 and June 1. As of December 31, 2023, there are no amounts due under the Parkway Capital Pledge Agreement.

The reimbursement obligation of the District under the Parkway Pledge Agreement is a limited obligation of the District payable solely from and to the extent of the JCMD No. 1 Pledged Revenues (defined in the Parkway Pledge Agreement) which include: (1) certain Surplus Pledged Revenue, including Pledged Revenue available under the Series 2015B Indenture to pay “Subordinate Obligations” thereunder, and pursuant to the Series 2010 Subordinate Bond Resolution. The amount of reimbursement obligation under the Parkway Pledge Agreement is required to be reduced by amounts collected by JCMD No. 1 from a required mill levy of JCMD No. 1. The District’s reimbursement obligation to JCMD No. 1 under the Parkway Pledge Agreement is further subject to other reimbursement priorities set forth therein. The Parkway

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Pledge Agreement terminates upon the earlier of: (a) the date on which reimbursement has been made in full thereunder; or (b) the date on which the District will receive no further revenues under the Amended MRA and has transferred all revenues available and required to be paid under the Parkway Pledge Agreement.

The following is an analysis of changes in long-term debt for the period ending December 31, 2023:

	Balance			Balance	
	12/31/2022	Additions	Deletions	12/31/2023	Current Portion
<i>Other</i>					
Amended Mountain Shadows Pledge Agreement	\$ 7,000,000	\$ -	\$ -	\$ 7,000,000	\$ -
Amended Mountain Shadows Pledge Agreement - Interest	6,846,416	576,859	(315,716)	7,107,559	-
Total	13,846,416	576,859	(315,716)	14,107,559	-
	\$13,846,416	\$576,859	\$(315,716)	\$14,107,559	\$ -

Note 4: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2023, follows:

<u>Governmental Type Activities:</u>	<u>Balance</u> <u>1/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2023</u>
<u>Capital assets not being depreciated:</u>				
Water rights	\$ 572,813	\$ -	\$ -	\$ 572,813
Tap allocation option rights	1,230,000	-	-	1,230,000
Construction-in-progress	480,099	-	-	480,099
Total capital assets not being depreciated	2,282,912	-	-	2,282,912
Government type assets, net	\$ 2,282,912	\$ -	\$ -	\$ 2,282,912

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Note 5: Intergovernmental Agreements

City of Arvada and Arvada Urban Renewal Authority

The City, JCMD No. 1, and AURA entered into a Master Redevelopment Agreement (“MRA”) on April 4, 2005, and on the same date, the District assumed the obligations and rights under the MRA for the construction of infrastructure and public improvements, including but not limited to water, sewer, drainage, park and recreation, transportation, and fire protection in accordance with the Jefferson Center Urban Renewal Plan (the “Plan”). The Plan authorizes AURA to receive and pledge certain incremental increases in property and sales tax revenues (“Pledged Revenues”) generated within the Jefferson Center Urban Renewal Area (the “Area”) and pursuant to the MRA, AURA pledges a portion of such incremental tax revenues authorized by the Plan to the District to provide funds to the District to meet its obligations with respect to the construction of public infrastructure improvements. The Pledged Revenues will consist of incremental property or sales taxes, except the City’s incremental property taxes.

On January 11, 2010, the Plan and Area were modified and a new Northwest Arvada Urban Renewal Area was created. As a result, also on January 11, 2010, the District entered into an Amended and Restated Master Redevelopment Agreement (the “Amended MRA”) with the City and AURA which replaces and supersedes the above MRA. Under the Amended MRA, the District is responsible for the construction of infrastructure and public improvements in accordance with both the Plan and the Northwest Arvada Urban Renewal Plan (collectively, the “Plans”). The Plans authorize AURA to receive and pledge certain incremental increases in property and sales tax revenues (“Pledged Revenues”) generated within the Modified Area and the Northwest Arvada Urban Renewal Area. Pursuant to the Amended MRA, AURA pledges a portion of such incremental tax revenues authorized by the Plans to the District to provide funds to the District to meet its obligations with respect to the construction of public infrastructure improvements. The Pledged Revenues will consist of incremental property or sales taxes, except the City’s incremental property taxes.

City of Arvada

JCMD No. 1 entered into an intergovernmental agreement with the City, dated December 7, 1989 and effective January 17, 1991 (the “Previous IGA”), for the construction and operation of certain public improvements and facilities. The agreement has been replaced in its entirety with the Current IGA described in the next paragraph.

Concurrent with the MRA on April 4, 2005, the City and the District entered into the Current IGA to address issues which did not require the agreement of AURA. The Current IGA rescinds and terminates the following agreements: the Previous IGA; the 1989 Jefferson Center Comprehensive Development Plan; the 1990 Subdivider’s Agreement; and the 1989 IGA among Jefferson County, the City, the District, and Jefferson Center Associates (“JCA”). The Current IGA also establishes the following: 1) certain rights and options of the District to purchase portions of water rights from

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

the City and defines the District's uses of the water purchased; 2) agreement on development in accordance with the City's preferred Metropolitan Beltway Alignment; 3) compliance by the District to the City's road standards; 4) compliance with the City's Park Master Plan in construction of parks and cooperation in obtaining the consent of Apex (formerly North Jeffco) Park and Recreation District to terminate a 1988 MOU with JCA; 5) the District's compliance with the Service Plan; 6) acknowledgement that the District will address issues related to the provision of fire protection services directly with Arvada Fire Protection District; 7) funding and escrow instructions for previous commitments of the City and the District to construct the Panorama Park (Yenter) Sewer Line (see details below); 8) conveyance of infrastructure; 9) the District's payment to the City of a promissory note dated July 7, 2003, in the amount of \$150,000 and a portion of the outstanding obligation to Westwoods in the amount of \$250,000; 10) reimbursement to the District for infrastructure improvements that benefit properties currently located outside the District's area; 11) good faith in land use processing; 12) provisions for individual development agreement; 13) consideration of possible future sales tax sharing by the City; and 14) compliance by the District with the City's regulations regarding storm drainage and erosion control.

On January 11, 2010, the District amended the above agreement to change the termination of the agreement to January 19, 2040, due to the Amended MRA (see above).

On April 7, 2014, the above agreement was further amended to allow for blended water rates.

On June 29, 2015, the above agreement was further amended to allow for an extended option to purchase water rights, allow for the possibility of economic incentives and possible reimbursement of District infrastructure.

On February 6, 2017, the above agreement was further amended to allow the City to allocate additional water supplies not otherwise identified in the Current IGA.

On December 2, 2019, the above agreement was further amended to: (i) acknowledge the District's intent to purchase additional water from the City; (ii) clarify the amount of water available to the District after the above-mentioned purchase ("the Allocated Water"); (iii) remove the water allocation restrictions previously imposed on the Allocated Water; and (iv) require the District to reserve 150 acre-feet of the Allocated Water for nonresidential uses unless otherwise approved by the City.

City of Arvada – Park Maintenance

On March 7, 2011, the District and the City of Arvada entered into an Intergovernmental Agreement for Park Maintenance. Per this agreement, the District will be responsible for the construction of those open space, park, recreation and trail improvements within the JCMD Area as authorized in its Service Plan. After the completion, dedication and acceptance of the Park

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Improvements by the City, the District will be responsible for the operation and maintenance, including insurance and water usage costs, of the Park Improvements through the Financing Termination Date, as defined in the Amended MRA. After the Financing Termination Date, the City shall be responsible for expenses associated with the park improvements.

City of Arvada – Stormwater IGA

On October 16, 2006, the District and the City entered into an Intergovernmental Agreement Concerning Storm Water Facilities Located within the Jefferson Center Metropolitan District No. 2 Service Area (“Stormwater IGA”). Pursuant to the Stormwater IGA, the District agreed to pay certain costs associated with construction, operation and maintenance of certain stormwater improvements within the District’s service area.

Facilities Funding, Construction and Operations Agreement

The Districts entered into a Facilities Funding, Construction and Operations Agreement (“FFCO”) on July 26, 2005, as amended on November 28, 2006, December 15, 2009, November 1, 2010 and June 11, 2015 to coordinate the financing, construction, operation and maintenance of the public improvements within the service area of the Districts and to establish the relationship between and respective responsibilities of the District and the Financing Districts. The FFCO provides a framework for the equitable allocation over time among the Districts of the costs of administration of the Districts and the costs of financing, constructing, operating and maintaining the public improvements contemplated therein. As the Service District, the District is generally responsible for providing the financing, construction, operations and maintenance of certain primary public infrastructure to serve the entire service area. The FFCO provides a limitation on the issuance of indebtedness by the Districts in the amount of \$450 million of total aggregate debt by all of the Districts. The FFCO is intended to constitute a multiple fiscal year financial obligation of the Districts, and as such, it was submitted to and approved by the electorates of each of the Districts prior to being executed. On March 24, 2009, each of the Jefferson Center Metropolitan District No. 1, Vauxmont Metropolitan District, Cimarron Metropolitan District, Canyon Pines Metropolitan District, and Mountain Shadows Metropolitan District elected to perform its own administrative services, effective January 1, 2008.

Canyon Pines Intergovernmental Cooperation Agreement

On November 1, 2010, the District and Canyon Pines Metropolitan District (“Canyon Pines MD”) entered into that certain Intergovernmental Cooperation Agreement (“Canyon Pines IGA”) which sets forth the obligations, rights and responsibilities of the District and Canyon Pines MD with respect to the financing, construction and acquisition of certain water tank improvements anticipated to facilitate the development of property within the District’s service area, including the development of property within Canyon Pines MD. Specifically, pursuant to the Canyon Pines IGA, the District agrees to set aside certain funds or to cause the construction or acquisition of the water tank improvements in an amount not to exceed \$5,250,000. In order to fund the construction and/or acquisition of the water tank improvements, the District agreed to deposit and

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

hold in a segregated Water Tank Fund certain Capital Recovery Fees, Surplus Pledged Revenues, Tax Increment Revenue (all as defined in the Canyon Pines IGA), proceeds of third party bonds issued by the District, and/or funds advanced to the District specifically for construction or acquisition of the water tank. The availability of the Surplus Pledged Revenues under the Canyon Pines IGA is senior to the District's obligations to utilize such funds for reimbursement under the Cimarron Pledge Agreement and the 2010 Subordinate Bonds. The availability of the Tax Increment Revenues under the Canyon Pines IGA is subordinate to the District's obligations to use such funds for reimbursement under the MSMD Pledge Agreement, as amended by the Amended and Restated Pledge Agreement, but is senior to the District's obligations under the Cimarron Pledge Agreement and the 2010 Subordinate Bonds. The Cimarron Pledge Agreement was terminated as of June 11, 2015 and the 2010 Subordinate Bonds were redeemed and no longer outstanding as of June 11, 2015. The Canyon Pines IGA is a multiple fiscal year obligation of the District.

Intergovernmental Restructuring Agreement

On June 11, 2015, District No. 1, the District, Vauxmont, and Cimarron Metropolitan District ("Cimarron") entered into that certain Intergovernmental Restructuring Agreement ("Restructure IGA") to acknowledge the issuance of the Restructured Debt (as defined in the Restructure IGA) by Vauxmont and to make certain clarifications relative to the future financing, construction and provision of service and improvements within the service area of the Jefferson Center Districts ("Service Area"). The Restructure IGA acknowledges Vauxmont issued the Restructured Debt in part to refinance and restructure certain outstanding debts of JCMD No. 1, the District, Vauxmont, and Cimarron, as is more particularly described in the Restructure IGA, in order to secure certain economic efficiencies and cost savings relative to past, present and future financing and construction of public improvements to benefit the constituents of the Service Area. The Restructure IGA recognizes the allocation of revenue, cash and certain expenses as to the parties to the Restructure IGA.

The Restructure IGA also addresses certain capital and operational matters and provides that each district that is a party to the Restructure IGA will be obligated to manage and cause the financing, construction, operation and maintenance of any public infrastructure necessary for the development of property within their respective boundaries, with certain specific exceptions listed therein. The Restructure IGA addresses the disposition of certain water rights, water options, water fees and water related agreements as between the parties.

Amended and Restated Intergovernmental Agreement for the Jefferson Parkway

On July 23, 2015, the District, the City of Arvada (the "City"), JCMD No. 1, Cimarron Commercial LLC ("CCLLC") and the Jefferson Parkway Public Highway Authority (the "Authority") entered into that certain Amended and Restated Intergovernmental Agreement for the Jefferson Parkway (the "Amended Parkway IGA"). The Amended Parkway IGA amends and

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

restates entirely that certain Intergovernmental Agreement dated April 7, 2008 between the District and the City and adds JCMD No. 1, CCLLC and the Authority as parties. The Amended Parkway IGA sets forth the terms and conditions of the design of the Jefferson Parkway as the same is located within the boundaries of the District and JCMD No. 1, including, but not limited to, alignment and elevation, use of the property prior to construction of the Jefferson Parkway and utility crossings. It also sets forth the terms upon which certain land and easements will be transferred from CCLLC to the City to accommodate the Jefferson Parkway. The land and easements were transferred to the City in 2015.

On June 15, 2020, the District, the City, JCMD No. 1, the Authority, CCLLC and Cimarron Development Company (“CDC”) entered into the Second Amended and Restated Intergovernmental Agreement for the Jefferson Parkway (the “Second Amended Parkway IGA”). The Second Amended Parkway IGA amends and restates entirely the Amended Parkway IGA to account for updated design plans for the Jefferson Parkway, to modify and/or amend the previously transferred land and easements as necessary to accommodate the updated design plans, to update the review process of development applications for property near the planned Jefferson Parkway, and to add CDC as a party. The Second Amended Parkway IGA further sets forth the terms and conditions of the design of the Jefferson Parkway, as the same is located within the boundaries and/or service area of the District and JCMD No. 1, including, but not limited to, alignment and elevation, use of the property prior to construction of the Jefferson Parkway, and utility crossings. It also sets forth the terms on which certain previously transferred land and easements are to be modified and amended and the terms by which certain additional land and easements are to be transferred to the Authority to accommodate the updated design plans for the Jefferson Parkway.

Supplemental Agreement Regarding Project Administration Pursuant to Paragraph 12.0 of Amended Parkway IGA for Jefferson Parkway

On June 15, 2020, the District and the Authority entered into the Supplemental Agreement Regarding Project Administration Pursuant to Paragraph 12.0 of Amended Parkway IGA for Jefferson Parkway (the “Supplemental Agreement”) to supplement the Second Amended Parkway IGA (discussed above). The Supplemental Agreement sets forth the terms by which the District and the Authority are to coordinate contracting, construction, and project administration if the District elects to undertake the construction of the road and the installation of utilities contemplated within Reserved Easement No. 5 (as defined in the Second Amended Parkway IGA) and such work occurs after the Authority has commenced construction of the Parkway. The Supplemental Agreement further provides that the District, to the extent it elects to perform the work contemplated under the Supplemental Agreement, will: (i) be responsible for any Additional Authority Costs (as defined therein) resulting from Defective District Work (as defined therein); and (ii) will remediate any Defective District Work to the extent the Authority is of the belief such Defective District Work exists and will result in Additional Authority Costs. The Supplemental Agreement does not create a multi-fiscal year debt or obligation and any financial obligations of the District, and the Authority therein are subject to annual appropriations.

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

City of Arvada/Jefferson County – Road Maintenance

On July 24, 2018, the District, the City of Arvada (the “City”) and Jefferson County (the “County”) entered into an Intergovernmental Agreement for Road Maintenance whereby the District agreed to construct and install a culvert beneath Indiana Street, which lies within County right-of-way, for the benefit of the City and in accordance with the terms of the Current IGA. Upon completion of the construction of the culvert, the City is responsible for the maintenance of the culvert and the adjacent roadway. Further, if the County elects in the future to expand Indiana Street, the District agrees to reimburse the County for any modifications or additions to the culvert required for such expansion.

Note 6: Other Agreements

Parkway Acquisition Agreement

On November 1, 2010, the District, JCMD No. 1 and CCLLC entered into that certain Acquisition Agreement (Jefferson Parkway Right of Way) (“Parkway Acquisition Agreement”) whereby the parties set forth their understanding with respect to the obligations related to the conveyance of and reimbursement for conveyance of certain ROW property necessary for a beltway loop serving the Denver, Colorado metropolitan area, a highway commonly known as Jefferson Parkway. The Parkway Acquisition Agreement was amended on December 23, 2011 to grant TCC1, LLC the right to receive reimbursement for a portion of the Appraised Value of the ROW. The Districts have entered into that certain Capital Pledge Agreement (Jefferson Parkway), whereby the District agrees to transfer certain tax increment revenues to JCMD No. 1 in exchange for the promise of JCMD No. 1 to finance the acquisition of the ROW and payment on the Promissory Note (the “Pledge Agreement”). In addition, JCMD No. 1 adopted its Resolution Authorizing the Issuance of its Not to Exceed \$11,762,000 Subordinate Nonrevolving Line of Credit Note, Series 2010A for the benefit of CCLLC whereby JCMD No. 1 pledges certain tax increment revenues and revenues from its debt service mill levy to finance the acquisition of the ROW and payment on the Promissory Note.

Site Reservation Agreement – Artemis Properties, LLC

The District entered into a Site Reservation Agreement on March 28, 2006, and amended on September 30, 2008, with Artemis Properties, LLC (“Artemis”) whereby the District has agreed to construct certain improvements in accordance with its service plan on certain property owned by Artemis (the “Property”). In consideration for the District’s construction of the improvements, Artemis has agreed to waive its right to object to the District’s determination of need for a portion of the Property to be utilized for construction of a substantially underground water tank and related public improvements.

The District shall pay Artemis fair market value of all property required for the water tank, including any necessary easements, rights-of-way, and appraisal costs.

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

The District has agreed that the Capital Recovery Fee imposed by the District on the property shall remain at \$10,000 per single family equivalent regardless of any increase in the Capital Recovery Fee subsequent to the agreement. In 2018, the District received capital recovery fees and interest in the amount of \$978,411.

The District has allocated 36 acre feet of Arvada water to serve the Property.

The first amendment to the agreement refines the definitions of the improvements and establishes a priority for construction of certain improvements.

Note 7: Related Party

All of the Board of Directors are employees, owners or are otherwise associated with the developers of property within the District's service area and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed by the Board.

Note 8: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer 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.

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.

On November 2, 2004, the District's electors authorized the District to increase debt \$450,000,000 for the purpose of entering into intergovernmental agreements.

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Note 9: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (“Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials’ liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

Note 10: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Government Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) Capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and
- 2) long-term liabilities such as bonds payable, are not due and payable in the current period and, therefore, are not in the funds.

The Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) Governmental funds report capital outlays as expenditures, however, in the statement of activities, the costs of those assets are held as construction in process pending transfer to other governmental entities; and
- 2) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities.

SUPPLEMENTAL INFORMATION

DRAFT 09.19.2024

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

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

For the Year Ended December 31, 2023

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Transfer from JCMD #1	\$ 1,781,536	\$ 1,428,896	\$ (352,640)
Mt Shadows Northwest AURA Increment	306,452	310,039	3,587
Vauxmont Northwest AURA Increment	5,388,580	5,452,649	64,069
JCMD#1 Northwest AURA Increment	<u>1,830,074</u>	<u>1,685,626</u>	<u>(144,448)</u>
Total Revenues	<u>9,306,642</u>	<u>8,877,210</u>	<u>(429,432)</u>
EXPENDITURES			
Transferred to Vauxmont Metro District - Vauxmont Pledge	7,476,568	7,135,457	341,111
Transfer to JCMD #1	<u>1,830,074</u>	<u>1,741,753</u>	<u>88,321</u>
Total Expenditures	<u>9,306,642</u>	<u>8,877,210</u>	<u>429,432</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE:			
BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

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

For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Mt Shadows Northwest AURA Increment	\$ 219,806	\$ 390,000	\$ 388,991	\$ (1,009)
AURA Arvada Fire Department	1,851,404	1,762,000	1,761,104	(896)
Interest income	-	5,000	4,945	(55)
Total Revenues	<u>2,071,210</u>	<u>2,157,000</u>	<u>2,155,040</u>	<u>(1,960)</u>
EXPENDITURES				
Transfer to AURA Arvada Fire Dept	1,851,404	1,765,000	1,761,104	3,896
Capital pledge agreement interest expense	219,806	395,000	388,991	6,009
Total Expenditures	<u>2,071,210</u>	<u>2,160,000</u>	<u>2,150,095</u>	<u>9,905</u>
NET CHANGE IN FUND BALANCE	-	(3,000)	4,945	7,945
FUND BALANCE:				
BEGINNING OF YEAR	-	190,158	190,158	-
END OF YEAR	<u>\$ -</u>	<u>\$ 187,158</u>	<u>\$ 195,103</u>	<u>\$ 7,945</u>

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

CONDENSED SOURCES & USES
As of 9/19/24

Project Water	
Sources	Acre Feet
Pre - 12/2/19	1,869.24
2020 Exercised Options	92.47
Options to Exercise	-
Total Sources	1,961.71

Pre - December 2, 2019 Summary												
SOURCES		RESIDENTIAL USES						COMMERCIAL USES				BALANCE
Existing Agreements	Beginning Balance	MSMD	CFMD	ARP	Total Residential	Unallocated	Beginning	Allocations	CCLLC	Total Commercial	Unallocated	
Totals	1869.24	200.00	36.00	1,039.01	1,275.01	-	594.23	49.00	363.05	412.05	182.18	

Reconciliation to Post 12/2/19 - JCMD2

Ending Balance 12/2/19	182.18
Less Restricted Beginning Commercial	(150.00)
Unrestricted Available	32.18
Plus Options Exercised	85.05
Plus Options Exercised	7.42
Net Unrestricted Available	124.65

Reconciliation to Post 12/2/19 - CCLLC

CCLLC Held Balance 363.05

Post - 12/2/2019 Allocations																																	
SOURCES		RESIDENTIAL USES							COMMERCIAL USES																								
Sources	Unrestricted Including CCLLC	Whisper Village	Taylor Morrison	Rangewater	LCS	Allocated	Unrestricted Available	IGA Restricted Balance	Kentro Retail 1	SCL - Candelas Medical	Arvada Fire	Freedom Street Restaurant	Z&N Retail	Rangewater Clubhouse	Rangewater Rec Center	Brakes Plus	Murphy Oil	O'Reilly's	Autowash	Taco Bell	TM Rec Center	Kum and Go	Kiddle Academy	Candelas Innovation Park Bldg 1	Candelas Innovation Park Bldg 2	Luxelocker Arvada	Whisper Village Carwash	Total Commercial	Not Allocated	Combined Allocations	CCLLC Available		
Allocations JCMD2	124.65	33.00	86.15	-	5.50	124.65	-	150.00	2.50	2.50	2.50	2.50	2.50	1.25	1.25	0.75	1.25	1.25	4.00	2.50	2.50	1.25	2.50	2.50	2.50	1.25	4.00	41.25	108.75	165.90	-		
Allocations CCLLC	363.05	-	226.85	114.00	20.20	361.05	2.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	361.05	2.00		

COMMERCIAL WATER ALLOCATION COMMITMENTS
As of 9/19/24

User	Final Tap Size	Final Allocation	Final Letter Date	Preliminary Tap Size	Preliminary Allocation	Preliminary Letter Date	Available Balance (AF)
Pre-12/2/19 Allocations							
Final Allocations							594.23
Yenter	1.00	1.25					592.98
Plains End	2.00	4.00					588.98
Candelas Parkway Irrigation	1.00	1.25					587.73
King Soopers	2.00	4.00	3/20/2019				583.73
King Soopers Gas Station	0.75	0.75	3/20/2019				582.98
King Soopers Retail Center	2.00	4.00	3/20/2019				578.98
Sautter Arvada School	1.00	1.25	3/20/2019				577.73
7-11	1.00	1.25	3/20/2019				576.48
Starbucks	1.00	1.25	3/20/2019				575.23
Three Creeks Elementary	3.00	7.50	3/20/2019				567.73
Whisper Creek Station - Arvada PD	1.00	1.25	3/20/2019				566.48
Candelas Point Retail (Block 1, Lot 3)	1.50	2.50	3/29/2019				563.98
Candelas Point Retail (Block 1, Lot 4)	1.50	2.50	3/29/2019				561.48
Chase Bank	1.00	1.25	4/5/2019				560.23
First Bank	1.00	1.25	7/30/2019				558.98
Wendy's	1.00	1.25	7/30/2019				557.73
Wild Grass Lot 3 (Bldg. A)	1.00	1.25	3/24/2023				556.48
Wild Grass Lot 3 (Bldg. B)	1.00	1.25	3/24/2023				555.23
Wild Grass Lot 3 (Bldg. C)	1.50	2.50	3/24/2023				552.73
Wild Grass Lot 3 (Bldg. D)	1.00	1.25	3/24/2023				551.48
Indiana Plaza	1.50	2.50	3/24/2023				548.98
Primrose School	1.50	2.50	9/18/2019				546.48
Les Schwab	1.00	1.25	8/16/2019				545.23
Total		49.00			0.00		
Initial Allocation Not Included							
Cimarron Commercial LLC					363.05		182.18
Post-12/2/19 Allocations							
Beginning Balance							150.00
Kentro Retail 1 (Need L6b)				1.50	2.50	10/7/2019	147.50
Candelas Medical - SCL	1.50	2.50	1/13/2021				145.00
Arvada Fire	1.50	2.50	3/19/2021				142.50
Freedom Street Restaurant	1.50	2.50	7/1/2021				140.00
Z&N Retail	1.50	2.50	2/12/2022				137.50
Rangewater Club House	1.00	1.25					136.25
Rangewater Rec Center	1.00	1.25					135.00
Brakes Plus	0.75	0.75	3/23/2023				134.25
Murphy Oil	1.00	1.25	3/23/2023				133.00
O'Reilly's	1.00	1.25	3/23/2023				131.75
Autowash	2.00	4.00	3/23/2023				127.75
Taco Bell	1.50	2.50	3/23/2023				125.25
TM Rec Center				1.50	2.50	No Plan Yet	122.75
Kum-N-Go				1.00	1.25	No Plan Yet	121.50
Kiddie Academy				1.50	2.50		119.00
Candelas Innovation Park Bldg. #1				1.50	2.50		116.50
Candelas Innovation Park Bldg. #2				1.50	2.50		114.00
Luxlocker Arvada				1.00	1.25	No Plan Yet	112.75
Whisper Village Car Wash				2.00	4.00	No Plan Yet	108.75
Total		22.25			19.00		
Total Acre Feet Remaining Unallocated							108.75

Tap Size	AF	Ratio
0.625	0.50	1.0
0.750	0.75	1.5
1.000	1.25	2.5
1.500	2.50	5.0
2.000	4.00	8.0
3.000	7.50	15.0
4.000	12.50	25.0
6.000	25.00	50.0

RESIDENTIAL WATER ALLOCATION COMMITMENTS
As of 9/19/24

User	Acre Feet	Available Balance (AF)
Other Districts		
		1275.01
Canyon Pines	36.00	1239.01
Mountain Shadows	200.00	1039.01
Vauxmont (Arvada Residential Partners)	1039.01	0.00
Total	<u>1275.01</u>	
JCMD2 Allocations to Projects		
		487.70
Whisper Village	33.00	454.70
Taylor Morrison	313.00	141.70
Rangewater	114.00	27.70
LCS	25.70	2.00
Total	<u>485.70</u>	