

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

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

**NOTICE OF SPECIAL MEETING AND AGENDA**

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expires:</u>
Billy Joe "B.J." Penrod	President	2022/May 2022
<i>VACANT</i>		2022/May 2020
<i>VACANT</i>		2020/May 2020
<i>VACANT</i>		2020/May 2020
<i>VACANT</i>		2020/May 2020

Lisa A Jacoby Secretary

**DATE:** December 5, 2018 (Wednesday)  
**TIME:** 9:00 A.M.  
**PLACE:** Offices of Daniel Kumsok Oh  
8101 E. Belleview, Suite F  
Denver, Colorado

**I. ADMINISTRATIVE MATTERS**

A. Approve Agenda, confirm location of the meeting and posting of meeting notices and designate 24 hour posting location.

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B. Discuss results of the May 8, 2018 Election (enclosure).

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C. Acknowledge the resignation of Lisa A. Jacoby as Secretary to the Board and consider the appointment of David Solin for same.

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D. Discuss Board vacancies. Consider appointment of Daniel Kumsok Oh. Administer Oath of Director.

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E. Consider appointment of Officers:  
President \_\_\_\_\_  
Treasurer \_\_\_\_\_  
Secretary \_\_\_\_\_  
Assistant Secretary \_\_\_\_\_  
Assistant Secretary \_\_\_\_\_

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- F. Review and approve Minutes of the November 15, 2017 Special Meeting (enclosure).
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- G. Set 2019 Regular Meeting Dates for June \_\_\_\_, and November \_\_\_\_, 2019 to be held at \_\_\_\_ a.m. at \_\_\_\_\_. Approve Resolution No. 2018-12-01; Resolution Establishing 2019 Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72 Hour and 24-Hour Notices (enclosure).
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- H. Discuss §32-1-809, C.R.S. - Transparency Notice reporting requirements and mode of eligible elector notification (posted on the SDA’s website last year and circulated in Homeowners’ Association Newsletter).
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II. FINANCIAL MATTERS

- A. Review and ratify the approval of the payment of claims as follows (enclosures):

Fund	Period ending Dec. 7, 2017	Period ending Jan. 16, 2018	Period ending Feb. 12, 2018	Period ending March 8, 2018
General	\$ 3,811.93	\$ 1,709.19	\$ 1,944.87	\$ 1,483.24
Enterprise	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>Total Claims</b>	<b>\$ 3,811.93</b>	<b>\$ 1,709.19</b>	<b>\$ 1,944.87</b>	<b>\$ 1,483.24</b>

Fund	Period ending April 17, 2018	Period ending May 11, 2018	Period ending June 12, 2018	Period ending July 20, 2018
General	\$ 1,142.79	\$ 1,524.63	\$ 1,633.64	\$ 6,476.64
Enterprise	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Debt Service	\$ -0-	\$ -0-	\$ 2,000.00	\$ -0-
<b>Total Claims</b>	<b>\$ 1,142.79</b>	<b>\$ 1,524.63</b>	<b>\$ 3,633.64</b>	<b>\$ 6,476.64</b>

Fund	Period ending Aug. 13, 2018	Period ending Sept. 21, 2018	Period ending Oct. 19, 2018	Period ending Nov. 14, 2018
General	\$ 800.59	\$ 555.53	\$ 864.26	\$ 916.68
Enterprise	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>Total Claims</b>	<b>\$ 800.59</b>	<b>\$ 555.53</b>	<b>\$ 864.26</b>	<b>\$ 916.68</b>

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- B. Review and accept unaudited financial statements for the period ending October 31, 2018 (enclosure).
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- C. Review and ratify approval and filing of the 2017 Audit (enclosure) and ratify authorization of execution of the Representations Letter.  

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- D. Consider engagement of Simmons & Wheeler, P.C. to perform the 2018 Audit for an amount not-to-exceed \$4,000 (enclosure).  

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- E. Ratify appointment of District Accountant to prepare the 2019 Budget.  

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- F. Conduct Public Hearing to consider Amendment to 2018 Budget and (if necessary) adopt Resolution to Amend the 2018 Budget and Appropriate Expenditures.  

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- G. Conduct Public Hearing on the proposed 2019 Budget and consider adoption of Resolutions to Adopt the 2019 Budget and Appropriate Sums of Money and to Set Mill Levies (for General Fund \_\_\_\_\_, Debt Service Fund \_\_\_\_\_, for a total mill levy of \_\_\_\_\_) (enclosures – preliminary assessed valuation, draft 2018 Budget, and Resolutions).  

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- H. Consider authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.  

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III. LEGAL MATTERS

- A. \_\_\_\_\_  

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IV. OTHER MATTERS

- A. \_\_\_\_\_  

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V. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2018.**

Informational Enclosure:

- SDMS – 2019 Rate Increase Memorandum
- McGeady Becher P.C.- 2019 Rate Increase Memorandum

**NOTICE OF CANCELLATION  
and  
CERTIFIED STATEMENT OF RESULTS**

§1-13.5-513(6), 32-1-104, 1-11-103(3) C.R.S.

**NOTICE IS HEREBY GIVEN** by the Piney Creek Village Metropolitan District, Arapahoe County, Colorado, that at the close of business on the sixty-third day before the election, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates; therefore, the election to be held on May 8, 2018 is hereby canceled pursuant to section 1-13.5-513(6) C.R.S.

The following candidates are declared elected for the following terms of office:

<u>Name</u>	<u>Term</u>
Billy Joe Penrod	Second Regular Election, May 2022
Vacant	Second Regular Election, May 2022
Vacant	Next Regular Election, May 2020
Vacant	Next Regular Election, May 2020
Vacant	Next Regular Election, May 2020

/s/ Lisa A. Jacoby  
(Designated Election Official)

Contact Person for the District:	Lisa A. Jacoby
Telephone Number of the District:	303-987-0835
Address of the District:	141 Union Boulevard, Suite 150, Lakewood, CO 80228
District Facsimile Number:	303-987-2032
District Email:	ljacoby@sdmsi.com

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT HELD NOVEMBER 15, 2017

A Special Meeting of the Board of Directors (referred to hereafter as the “Board”) of the Piney Creek Village Metropolitan District (referred to hereafter as the “District”) was convened on Wednesday, the 15<sup>th</sup> day of November, 2017, at 9:00 a.m., at the offices of Daniel Kumsok Oh, 8101 E. Belleview, Suite F, Denver, Colorado. The meeting was open to the public.

#### ATTENDANCE

##### Directors In Attendance Were:

Daniel Kumsok Oh  
Billy Joe “B.J.” Penrod

##### Also In Attendance Were:

Lisa A. Jacoby and Ashley Frisbie; Special District Management Services, Inc.

Paula Williams, Esq.; McGeady Becher P.C.

#### ADMINISTRATIVE MATTERS

Agenda: Ms. Jacoby reviewed with the Board a proposed Agenda for the District’s Special Meeting.

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

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meetings.

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

## RECORD OF PROCEEDINGS

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**Minutes:** The Board reviewed Minutes of the June 13, 2017 Special Meeting.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Minutes of the June 13, 2017 Special Meeting were approved, as presented.

**Board Vacancies and Appointment of Officers:** Discussion ensued regarding qualified candidates to fill the District's Board vacancies. Directors Penrod and Oh noted that they would continue their efforts to recruit qualified candidates to serve on the Board. Having no qualified candidates to appoint at this time, no appointments were made and the slate of officers remained the same.

**2018 Regular Meeting Dates:** The Board entered into discussion regarding Resolution No. 2017-11-01; Resolution Establishing 2018 Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices.

Following discussion, the Board determined to schedule 2018 regular meetings for June 13 and November 14, 2018 to be held at 9:00 a.m. at the offices of Daniel Kumsok Oh, 8101 E. Belleview, Suite F, Denver, Colorado.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board adopted Resolution No. 2017-11-01; Resolution Establishing 2018 Regular Meeting Dates, Time and Location, and Designating Locations for the Posting of 72-Hour and 24-Hour Notices. A copy of the Resolution is attached hereto and incorporated herein by this reference.

**§32-1-809, C.R.S.:** The Board entered into discussion regarding §32-1-809, C.R.S. – Transparency Notice reporting requirements and mode of eligible elector notification.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board determined to post the required information to the SDA website and to include the information in the Homeowners' Association Newsletter.

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## RECORD OF PROCEEDINGS

**FINANCIAL MATTERS**

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

Fund	Period ending July 18, 2017	Period ending Aug. 15, 2017	Period ending Sept. 15, 2017	Period ending Oct. 13, 2017
General	\$ 8,868.82	\$ 1,490.11	\$ 1,129.82	\$ 4,676.05
Enterprise	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Debt Service	\$ 2,000.00	\$ -0-	\$ -0-	\$ -0-
<b>Total Claims</b>	<b>\$ 10,868.82</b>	<b>\$ 1,490.11</b>	<b>\$ 1,129.82</b>	<b>\$ 4,676.05</b>

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the board ratified approval of the payment of claims, as presented.

The Board then considered approving the payment of claims through the period ending November 15, 2017 as follows:

General Fund:	\$	1,649.29
Debt Service Fund:	\$	-0-
<b>Total:</b>	<b>\$</b>	<b>1,649.29</b>

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending November 15, 2017, as presented.

**Financial Statements:** Ms. Jacoby reviewed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending September 30, 2017.

Following discussion, upon motion duly made by Director Oh, seconded by Director Penrod and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2017, as presented.

**2017 Audit:** The Board entered into discussion regarding the engagement of Simmons & Wheeler, P.C. to perform the 2017 Audit.

Following discussion, upon motion duly made by Director Oh, seconded by Director Penrod and, upon vote, unanimously carried, the Board approved the engagement of Simmons & Wheeler, P.C. to perform the 2017 Audit for an amount not-to-exceed \$3,900. It was noted that the fee remained the same as last year.

**2017 Budget Amendment Hearing:** The President opened the Public Hearing to consider an amendment to the 2017 Budget and to discuss related issues.

## RECORD OF PROCEEDINGS

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It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2017 Budget and the date, time and location of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received and the Public Hearing was closed.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board adopted Resolution No. 2017-11-02; Resolution to Amend the 2017 Budget. A copy of the Resolution is attached hereto and incorporated herein by this reference.

**2018 Budget Hearing:** The President opened the Public Hearing to consider the proposed 2018 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2018 Budget and the date, time and location of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received and the Public Hearing was closed.

Ms. Jacoby reviewed the estimated 2017 expenditures and the proposed 2018 expenditures.

Following discussion, the Board considered adoption of Resolution No. 2017-11-03; Resolution to Adopt the 2018 Budget and Appropriate Sums of Money, and Resolution No. 2017-11-04; Resolution to Set Mill Levies (for the General Fund at 3.313 mills, the Debt Service Fund at 37.550 mills, for a total mill levy of 40.863 mills). Upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2017. Ms. Jacoby was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Arapahoe County and the Division of Local Government not later than December 15, 2017. Ms. Jacoby was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2018. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

**Resolution Authorizing the Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3:** The Board discussed Resolution No. 2017-11-05; Authorizing the Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.



## RECORD OF PROCEEDINGS

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Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board determined that Resolution No. 2017-11-05; Authorizing the Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3 was not necessary. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

**DLG-70 Mill Levy Certification Form:** The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

### **LEGAL MATTERS**

**Resolution No. 2017-11-06 Calling a Regular Election for Directors on May 8, 2018 (“Election Resolution”):** The Board discussed the upcoming election and the Election Resolution.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board adopted the Election Resolution, and appointed Lisa A. Jacoby as the Designated Election Official and authorized her to perform all tasks required for the May 8, 2018 Regular Election of the Board of Directors for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

### **OTHER MATTERS**

There were no other matters.

### **ADJOURNMENT**

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

Respectfully submitted,

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

## RECORD OF PROCEEDINGS

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THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 15, 2017  
MINUTES OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT BY  
THE BOARD OF DIRECTORS SIGNING BELOW:

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Billy Joe "B.J." Penrod

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Daniel Kumsok Oh

**RESOLUTION NO. 2017-11-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
PINEY CREEK VILLAGE METROPOLITAN DISTRICT  
ESTABLISHING REGULAR MEETING DATES, TIME AND LOCATION, AND  
DESIGNATING LOCATIONS FOR POSTING OF 72-HOUR AND 24-HOUR NOTICES**

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

B. Pursuant to Section 24-6-402(2)(c), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.

C. Pursuant to Section 32-1-903, C.R.S., special districts are required to post notices of regular and special meetings at three (3) public places within the district and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting.

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Piney Creek Village Metropolitan District of the County of Arapahoe, Colorado:

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

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

3. That regular meetings of the District Board of the Piney Creek Village Metropolitan District for the year 2018 shall be held on June 13, and November 14, at 9:00 a.m., at the offices of Daniel Kumsok Oh; 8101 E. Belleview Ave. #F, Denver, Colorado, in Denver County, Colorado.

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

5. That, until circumstances change and a future resolution of the District Board so designates, the location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

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

7. Notice of Meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

(a) The Southeast corner of Parker Road and East Lake

8. Notices of regular and special meetings required to be posted at three (3) public places within the District and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting shall be made pursuant to Section 32-1-903, C.R.S., at the following locations:

- (a) The Southeast corner of Parker Road and East Lake
- (b) On South Jasper at the Southern Boundary of the District
- (c) At East Lake and South Olathe Street

9. The District Manager, or his/her designee, is hereby appointed to post the above-referenced notices.

RESOLUTION APPROVED AND ADOPTED on November 15, 2017.

**PINEY CREEK VILLAGE METROPOLITAN  
DISTRICT**

By:

  
\_\_\_\_\_  
President

Attest:

Secretary



RESOLUTION TO AMEND 2017 BUDGET  
PINEY CREEK VILLAGE METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the Piney Creek Village Metropolitan District adopted an amended budget and appropriated funds for the fiscal year 2017 as follows:

General Fund	\$ 63,460
Debt Service Fund:	\$ 348,963

WHEREAS, the necessity has arisen for additional expenditures in the Debt Service Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2017; 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 Debt Service Fund from interest income.

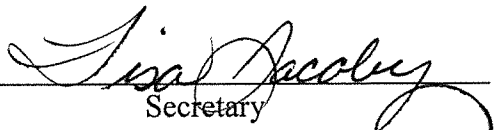
NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Piney Creek Village Metropolitan District shall and hereby does amend the adopted Budget for the fiscal year 2017 and adopts a supplemental budget and appropriation for the Debt Service Fund for the fiscal year 2017, as follows:

Debt Service Fund	\$ 349,000
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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 15<sup>th</sup> day of November, 2017.

PINEY CREEK VILLAGE METROPOLITAN  
DISTRICT

By:   
Secretary

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

**DEBT SERVICE FUND  
2017 Budget as Amended**

	<b>2017 Adopted Budget</b>	<b>2017 Estimated</b>	<b>2017 Amended</b>
<b>BEGINNING FUND BALANCE</b>	\$ 36,921	\$ 41,665	\$ 41,665
<b>REVENUE</b>			
Property Taxes	317,742	317,742	317,742
Specific Ownership Taxes	22,000	22,000	22,000
Interest Income	1,200	2,130	2,130
<b>Total Revenue</b>	<b>340,942</b>	<b>341,872</b>	<b>341,872</b>
<b>Total Funds Available</b>	<b>377,863</b>	<b>383,537</b>	<b>383,537</b>
<b>EXPENDITURES</b>			
Loan Principal	185,000	185,000	185,000
Loan Interest	155,697	155,697	155,697
Paying Agent Fees	3,000	3,000	3,000
Continuing Disclosures	500	535	535
Treasurer's Fees	4,766	4,768	4,768
<b>Total Expenditures</b>	<b>348,963</b>	<b>349,000</b>	<b>349,000</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>348,963</b>	<b>349,000</b>	<b>349,000</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 28,900</b>	<b>\$ 34,537</b>	<b>\$ 34,537</b>

RESOLUTION NO. 2017 - 11 - 03

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT  
TO ADOPT THE 2018 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Piney Creek Village Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2018 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2017, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 15, 2017, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

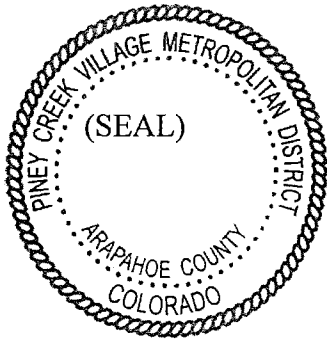
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Piney Creek Village Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Piney Creek Village Metropolitan District for the 2018 fiscal year.

2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

ADOPTED this 15<sup>th</sup> day of November, 2017.



  
Secretary



EXHIBIT A  
(Budget)



Certified Public Accountants and Business Consultants

## Accountant's Compilation Report

Board of Directors  
Piney Creek Village Metropolitan District  
Arapahoe County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures and fund balances of Piney Creek Village Metropolitan District for the year ending December 31, 2018, including the estimate of comparative information for the year ending December 31, 2017, the actual comparative information for the year ending December 31, 2016, and the adopted budget for the year ending December 31, 2017 in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with 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 budget 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 the accompanying budget.

We draw attention to the Budget Message included in the budget submission to the State of Colorado which describes that the budgetary basis of accounting is the modified accrual basis in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Piney Creek Village Metropolitan District.

*Barnes Griggs & Associates, PC*

Lakewood, Colorado  
January 9, 2018

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Barnes Griggs & Associates, PC

# PINEY CREEK VILLAGE METROPOLITAN DISTRICT

## 2018 Budget Message

### **Introduction**

Piney Creek Village Metropolitan District (the “District”) was formed in 2001 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure including water improvements, street improvements, sanitary sewer, and parks and recreation. These improvements have been dedicated to Arapahoe County, or such other entities as appropriate for the use and benefit of the District taxpayers and service users.

The 2018 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2018 fiscal year based on available revenues. This budget provides for the annual debt service on the District’s General Obligation Debt as well as the general operation of the District.

The Board of Directors authorized adjustment of the District mill levy in accordance with the Colorado Constitution, Article X, Section 3 (the “Gallagher Adjustment”). The Gallagher Adjustment and the District’s Service Plan authorize an adjustment of the Maximum Debt Mill Levy in the event that the method of calculating assessed valuation is changed after January 1, 2004, by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut, or abatement. The adjustment to the Maximum Debt Mill Levy is determined by the Board so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. The Colorado General Assembly passed House Bill 17-1349 setting the ratio of valuation for assessment for real residential property at 7.2% (decreased from 7.96%) for property taxes commencing on and after January 1, 2017, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property. The Gallagher Adjustment for the District allows for a total mill levy imposition, as noted in the following paragraph, so the District’s revenue is neither diminished nor enhanced.

The District’s assessed value increased 3.66% to \$9,686,971 in 2017. The District’s mill levy was certified at 40.863 mills for taxes collected in the 2018 fiscal year, with 37.550 mills dedicated to the Debt Service Fund and 3.313 mills dedicated to the General Fund.

### **Budgetary Basis of Accounting**

The District uses funds to budget and report on the financial position and the result of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds comprise the total District budget. All of the District’s funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the 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. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

**Fund Summaries**

The **General Fund** is used to account for revenue traditionally associated with government such as property taxes and specific ownership taxes. Expenditures include district administration, legal services, and other expenses related to statutory operations of a local government.

The **Debt Service Fund** is used to account for property taxes and other revenues dedicated to pay the fiscal year’s debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. Below is a summary of the District’s long-term General Obligation debt.

**Summary of Debt Outstanding**

Piney Creek Village Metropolitan District

Bonds Principal and Interest Maturing in the Year Ending December 31,	\$ 6,085,000 Series 2015 US Bank Loan		
	Principal	Interest	Total
2018	190,000	151,496	341,496
2019	195,000	145,109	340,109
2020	200,000	140,209	340,209
2021	205,000	134,774	339,774
2022	210,000	129,204	339,204
2023-2025	4,545,000	315,752	4,860,752
Total	5,545,000	1,016,543	6,561,543

**Emergency Reserve**

As required by Section 20 of Article X of the Colorado Constitution (“TABOR”), the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenues in the General Fund.

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
**Assessed Value, Property Tax and Mill Levy Information**

	<b>2016 Actual</b>	<b>2017 Adopted Budget</b>	<b>2018 Adopted Budget</b>
<b>Assessed Valuation</b>	\$ 9,331,398	\$ 9,345,357	\$ 9,686,971
<b>Mill Levy</b>			
General Fund	3.000	3.000	3.313
Debt Service Fund	34.000	34.000	37.550
Refunds and Abatements	-	0.011	-
<b>Total Mill Levy</b>	<u>37.000</u>	<u>37.011</u>	<u>40.863</u>
<b>Property Taxes</b>			
General Fund	\$ 27,994	\$ 28,036	\$ 32,093
Debt Service Fund	317,268	317,742	363,746
Refunds and Abatements	-	103	-
<b>Actual/Budgeted Property Taxes</b>	<u>\$ 345,262</u>	<u>\$ 345,881</u>	<u>\$ 395,839</u>

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

**GENERAL FUND  
2018 Adopted Budget  
with 2016 Actual, 2017 Adopted Budget, and 2017 Estimated**

	<b>2016 Actual</b>	<b>2017 Adopted Budget</b>	<b>2017 Estimated</b>	<b>2018 Adopted Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ 38,727	\$ 32,921	\$ 31,913	\$ 23,471
<b>REVENUE</b>				
Property Taxes	28,095	28,036	28,139	32,093
Specific Ownership Taxes	2,146	2,000	2,000	1,926
Refunds and Abatements	-	103	103	-
Interest Income	367	400	400	400
<b>Total Revenue</b>	<b>30,608</b>	<b>30,539</b>	<b>30,642</b>	<b>34,419</b>
<b>Total Funds Available</b>	<b>69,335</b>	<b>63,460</b>	<b>62,555</b>	<b>57,890</b>
<b>EXPENDITURES</b>				
Accounting	9,781	9,770	9,770	9,965
District Management	10,197	7,900	7,900	8,058
Audit	6,172	6,200	6,799	6,800
Director's Fees	400	600	600	600
Election Expense	763	-	-	1,000
Insurance and Bonds	3,687	3,650	3,650	4,015
Legal	4,252	6,000	6,000	6,120
SDA	316	400	400	400
Miscellaneous Expense	1,399	1,000	1,000	1,000
Payroll Taxes	31	46	46	46
Treasurer's Fees	424	2,000	2,000	481
Emergency Reserves	-	916	919	1,033
Contingency	-	24,978	-	18,371
<b>Total Expenditures</b>	<b>37,422</b>	<b>63,460</b>	<b>39,084</b>	<b>57,889</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>37,422</b>	<b>63,460</b>	<b>39,084</b>	<b>57,889</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 31,913</b>	<b>\$ -</b>	<b>\$ 23,471</b>	<b>\$ -</b>

This financial information should be read only in connection with the accompanying accountant's compilation report and budget message.

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

**DEBT SERVICE FUND**

**2018 Adopted Budget**

with 2016 Actual, 2017 Adopted Budget, and 2017 Estimated

	<b>2016 Actual</b>	<b>2017 Adopted Budget</b>	<b>2017 Estimated</b>	<b>2018 Adopted Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ 46,496	\$ 36,921	\$ 41,665	\$ 34,537
<b>REVENUE</b>				
Property Taxes	317,170	317,742	317,742	363,746
Specific Ownership Taxes	24,322	22,000	22,000	21,825
Interest Income	1,467	1,200	2,130	2,100
<b>Total Revenue</b>	<b>342,958</b>	<b>340,942</b>	<b>341,872</b>	<b>387,671</b>
<b>Total Funds Available</b>	<b>389,454</b>	<b>377,863</b>	<b>383,537</b>	<b>422,207</b>
<b>EXPENDITURES</b>				
Loan Principal	180,000	185,000	185,000	190,000
Loan Interest	161,028	155,697	155,697	151,496
Paying Agent Fees	2,000	3,000	3,000	2,000
Continuing Disclosures	-	500	535	-
Treasurer's Fees	4,761	4,766	4,768	5,456
<b>Total Expenditures</b>	<b>347,789</b>	<b>348,963</b>	<b>349,000</b>	<b>348,952</b>
<b>Transfers and Other Uses (Sources)</b>				
<b>Total Expenditures Requiring Appropriation</b>	<b>347,789</b>	<b>348,963</b>	<b>349,000</b>	<b>348,952</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 41,665</b>	<b>\$ 28,900</b>	<b>\$ 34,537</b>	<b>\$ 73,255</b>





RESOLUTION NO. 2017 - 11 - 04

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT  
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Piney Creek Village Metropolitan District ("District") has adopted the 2018 annual budget in accordance with the Local Government Budget Law on November 15, 2017; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2018 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

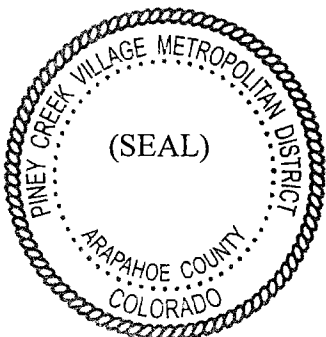
WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

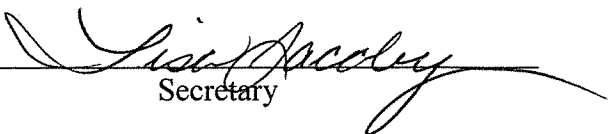
WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Piney Creek Village Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2018 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.
2. That for the purposes of meeting all debt service fund expenses of the District during the 2018 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.
3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Arapahoe County, Colorado, the mill levies for the District as set forth in the District's Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 15<sup>th</sup> day of November, 2017.



  
Secretary

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

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

**TO:** County Commissioners<sup>1</sup> of Arapahoe County, Colorado.

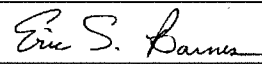
On behalf of the Piney Creek Village Metropolitan District,  
 (taxing entity)<sup>A</sup>  
 the Board of Directors,  
 (governing body)<sup>B</sup>  
 of the Piney Creek Village Metropolitan District,  
 (local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 9,686,971 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 9,686,971 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:** 12/15/17 for budget/fiscal year 2018  
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

<b>PURPOSE</b> (see end notes for definitions and examples)	<b>LEVY<sup>2</sup></b>	<b>REVENUE<sup>2</sup></b>
1. General Operating Expenses <sup>H</sup>	<u>3.313</u> mills	\$ <u>32,093</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>3.313</b> mills	<b>\$ 32,093</b>
3. General Obligation Bonds and Interest <sup>J</sup>	_____ mills	\$ _____
4. Contractual Obligations <sup>K</sup>	<u>37.550</u> mills	\$ <u>363,746</u>
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b>40.863</b> mills	<b>\$ 395,839</b>

Contact person: (print) Lisa A. Jacoby Daytime phone: (303) 987-0835  
 Signed:  Title: District Accountant

*Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-I-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.*

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.)**. Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

1. Purpose of Issue: \_\_\_\_\_  
 Series: \_\_\_\_\_  
 Date of Issue: \_\_\_\_\_  
 Coupon Rate: \_\_\_\_\_  
 Maturity Date: \_\_\_\_\_  
 Levy: \_\_\_\_\_  
 Revenue: \_\_\_\_\_
  
2. Purpose of Issue: \_\_\_\_\_  
 Series: \_\_\_\_\_  
 Date of Issue: \_\_\_\_\_  
 Coupon Rate: \_\_\_\_\_  
 Maturity Date: \_\_\_\_\_  
 Levy: \_\_\_\_\_  
 Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

3. Purpose of Contract: **Refinance Series 2005 GO Bonds (Limited Tax Convertible to Unlimited Tax)**  
 Title: **Piney Creek Village Metropolitan District Tax-Exempt Loan Series 2015**  
 Date: **May 5, 2015**  
 Principal Amount: **\$6,085,000**  
 Maturity Date: **August 1, 2025**  
 Levy: **37.550**  
 Revenue: **\$363,746**
  
4. Purpose of Contract: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Principal Amount: \_\_\_\_\_  
 Maturity Date: \_\_\_\_\_  
 Levy: \_\_\_\_\_  
 Revenue: \_\_\_\_\_

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION NO. 2017-11- 06

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT  
CALLING A REGULAR ELECTION FOR DIRECTORS  
ON MAY 8, 2018 (THE "ELECTION")**

A. The terms of the offices of Directors Oh and Penrod shall expire upon the election of their successors at the regular election, to be held on May 8, 2018, and upon such successors taking office.

B. Three vacancies currently exist on the Board of Directors of the District.

C. In accordance with the provisions of the Special District Act ("**Act**") and the Uniform Election Code ("**Code**"), the Election must be conducted to elect three (3) Directors to serve until the next regular election, to occur May 5, 2020, and two (2) Directors to serve until the second regular election, to occur May 3, 2022.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Piney Creek Village Metropolitan District (the "**District**") of the County of Arapahoe, Colorado:

1. Date and Time of Election. The Election shall be held on May 8, 2018, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, three (3) Directors shall be elected to serve until the next regular election, to occur May 5, 2020, and two (2) Directors shall be elected to serve until the second regular election, to occur May 3, 2022.

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

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

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

5. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Special District Management Services, Inc., 141 Union Blvd., Ste. 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and

5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (May 1, 2018).

6. Self-Nomination and Acceptance Forms. Self-nomination and acceptance forms are available at the office of the Designated Election Official located at the above address. All candidates must file a self-nomination and acceptance form with the Designated Election Official no earlier than January 1, 2018 and no later than the close of business on March 2, 2018.

7. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at the close of business on March 6, 2018 or at any time thereafter, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

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

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

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

RESOLUTION APPROVED AND ADOPTED on November 15, 2017.

**PINEY CREEK VILLAGE  
METROPOLITAN DISTRICT**

By: *B. Steward*  
President

Attest:

*Lisa Jacoby*  
Secretary

**RESOLUTION NO. 2018-12-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
PINEY CREEK VILLAGE METROPOLITAN DISTRICT  
ESTABLISHING REGULAR MEETING DATES, TIME AND LOCATION, AND  
DESIGNATING LOCATIONS FOR POSTING OF 72-HOUR AND 24-HOUR NOTICES**

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

B. Pursuant to Section 24-6-402(2)(c), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.

C. Pursuant to Section 32-1-903, C.R.S., special districts are required to post notices of regular and special meetings at three (3) public places within the district and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting.

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Piney Creek Village Metropolitan District of the County of Arapahoe, Colorado:

1. That the provisions of Section 32-1-903(1), C.R.S., be waived pursuant to the adoption of this Resolution.
2. That the Board of Directors (the "**District Board**") has determined that conducting regular and special meetings pursuant to Section 32-1-903(1), C.R.S., would be inconvenient and costly for the Directors and consultants of the District in that they live and/or work outside the twenty (20) mile radius requirement.
3. That regular meetings of the District Board of the Piney Creek Village Metropolitan District for the year 2018 shall be held on June \_\_, 2019 and November \_\_, 2019 at \_\_\_\_\_ a.m., at \_\_\_\_\_, in Denver County, Colorado
4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each Director.



5. That, until circumstances change and a future resolution of the District Board so designates, the location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

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

7. Notice of Meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

- (a) The Southeast corner of Parker Road and East Lake

8. Notices of regular and special meetings required to be posted at three (3) public places within the District and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting shall be made pursuant to Section 32-1-903, C.R.S., at the following locations:

- (a) The Southeast corner of Parker Road and East Lake
- (b) On South Jasper at the Southern Boundary of the District
- (c) At East Lake and South Olathe Street

9. The District Manager, or his/her designee, is hereby appointed to post the above-referenced notices.

RESOLUTION APPROVED AND ADOPTED on December 5, 2018.

**PINEY CREEK VILLAGE  
METROPOLITAN DISTRICT**

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

Attest:

\_\_\_\_\_  
Secretary

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1596						
12/07/2017	McGeady Becher P.C.	607M 11/17	Legal	1-675	1,607.50	1,607.50
Total 1596:						1,607.50
1597						
12/07/2017	Special District Management Ser	24561	District Management	1-614	1,478.50	1,478.50
12/07/2017	Special District Management Ser	24561	Accounting	1-612	580.50	580.50
12/07/2017	Special District Management Ser	24561	Miscellaneous Expense	1-690	118.43	118.43
12/07/2017	Special District Management Ser	24561	Audit	1-615	27.00	27.00
Total 1597:						2,204.43
Grand Totals:						3,811.93

**Piney Creek Village Metropolitan District  
December-17**

	General	Enterprise	Debt	Totals
<b>Disbursements</b>	\$ 3,811.93		\$ -	\$ 3,811.93
<b>Payroll</b>	\$ -			\$ -
<b>Payroll Taxes</b>	-	\$ -	-	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$3,811.93</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,811.93</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1598						
01/16/2018	McGeady Becher P.C.	607M 12/17	Legal	1-675	525.00	525.00
Total 1598:						525.00
1599						
01/16/2018	Special District Management Ser	25967	District Management	1-614	540.00	540.00
01/16/2018	Special District Management Ser	25967	Accounting	1-612	607.50	607.50
01/16/2018	Special District Management Ser	25967	Audit	1-615	27.00	27.00
01/16/2018	Special District Management Ser	25967	Miscellaneous Expense	1-690	9.69	9.69
Total 1599:						1,184.19
Grand Totals:						1,709.19

**Piney Creek Village Metropolitan District  
January-18**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
<b>Disbursements</b>	<b>\$ 1,709.19</b>		<b>\$ -</b>	<b>\$ 1,709.19</b>
<b>Payroll</b>	<b>\$ -</b>			<b>\$ -</b>
<b>Payroll Taxes</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>Total Disbursements from Checking Acct</b>	<b>\$1,709.19</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,709.19</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1600						
02/12/2018	McGeady Becher P.C.	607M 1/18	Legal	1-675	437.50	437.50
Total 1600:						437.50
1601						
02/12/2018	Special District Management Ser	28020	District Management	1-614	555.00	555.00
02/12/2018	Special District Management Ser	28020	Accounting	1-612	849.40	849.40
02/12/2018	Special District Management Ser	28020	Election Expense	1-635	68.50	68.50
02/12/2018	Special District Management Ser	28020	Miscellaneous Expense	1-690	34.47	34.47
Total 1601:						1,507.37
Grand Totals:						1,944.87

**Piney Creek Village Metropolitan District  
February-18**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
<b>Disbursements</b>	<b>\$ 1,944.87</b>		<b>\$ -</b>	<b>\$ 1,944.87</b>
<b>Payroll</b>	<b>\$ -</b>			<b>\$ -</b>
<b>Payroll Taxes</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>Total Disbursements from Checking Acct</b>	<b>\$1,944.87</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,944.87</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1602						
03/08/2018	McGeady Becher P.C.	607M 2/18	Legal	1-675	157.50	157.50
Total 1602:						157.50
1603						
03/08/2018	Special District Association	2018022613036247	SDA	1-685	307.40	307.40
Total 1603:						307.40
1604						
03/08/2018	Special District Management Ser	29230	District Management	1-614	123.30	123.30
03/08/2018	Special District Management Ser	29230	Accounting	1-612	602.80	602.80
03/08/2018	Special District Management Ser	29230	Insurance and Bonds	1-670	41.10	41.10
03/08/2018	Special District Management Ser	29230	Election Expense	1-635	191.80	191.80
03/08/2018	Special District Management Ser	29230	Miscellaneous Expense	1-690	6.68	6.68
Total 1604:						965.68
1605						
03/08/2018	The Villager Legals	8066	Election Expense	1-635	52.66	52.66
Total 1605:						52.66
Grand Totals:						1,483.24



**Piney Creek Village Metropolitan District**  
**March-18**

	General	Enterprise	Debt	Totals
<b>Disbursements</b>	\$ 1,483.24		\$ -	\$ 1,483.24
<b>Payroll</b>	\$ -			\$ -
<b>Payroll Taxes</b>	-	\$ -	-	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$1,483.24</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,483.24</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1606						
04/17/2018	McGeady Becher P.C.	607M 3/18	Legal	1-675	17.50	17.50
04/17/2018	McGeady Becher P.C.	607M 3/18	Election Expense	1-635	17.50	17.50
Total 1606:						35.00
1607						
04/17/2018	Special District Management Ser	31452	District Management	1-614	109.60	109.60
04/17/2018	Special District Management Ser	31452	Accounting	1-612	808.30	808.30
04/17/2018	Special District Management Ser	31452	Election Expense	1-635	164.40	164.40
04/17/2018	Special District Management Ser	31452	Miscellaneous Expense	1-690	25.49	25.49
Total 1607:						1,107.79
Grand Totals:						1,142.79

**Piney Creek Village Metropolitan District  
April-18**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
<b>Disbursements</b>	\$ 1,142.79		\$ -	\$ 1,142.79
<b>Payroll</b>	\$ -			\$ -
<b>Payroll Taxes</b>	-	\$ -	-	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$1,142.79</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,142.79</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1608						
05/11/2018	McGeady Becher P.C.	607M 4/18	Audit	1-615	177.50	177.50
05/11/2018	McGeady Becher P.C.	607M 4/18	Election Expense	1-635	17.50	17.50
Total 1608:						195.00
1609						
05/11/2018	Special District Management Ser	32441	District Management	1-614	109.60	109.60
05/11/2018	Special District Management Ser	32441	Election Expense	1-635	109.60	109.60
05/11/2018	Special District Management Ser	32441	Accounting	1-612	794.60	794.60
05/11/2018	Special District Management Ser	32441	Audit	1-615	260.30	260.30
05/11/2018	Special District Management Ser	32441	Miscellaneous Expense	1-690	9.77	9.77
Total 1609:						1,283.87
1610						
05/11/2018	The Villager Legals	8229	Election Expense	1-635	45.76	45.76
Total 1610:						45.76
Grand Totals:						1,524.63

Piney Creek Village Metropolitan District  
May-18

	General	Enterprise	Debt	Totals
Disbursements	\$ 1,524.63		\$ -	\$ 1,524.63
Payroll	\$ -			\$ -
Payroll Taxes	-	\$ -	-	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$1,524.63</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,524.63</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1611						
06/12/2018	McGeady Becher P.C.	607M 5/18	Legal	1-675	35.00	35.00
06/12/2018	McGeady Becher P.C.	607M 5/18	Election Expense	1-635	35.00	35.00
06/12/2018	McGeady Becher P.C.	607M 5/18	Audit	1-615	17.50	17.50
Total 1611:						87.50
1612						
06/12/2018	Special District Management Ser	33964	District Management	1-614	260.30	260.30
06/12/2018	Special District Management Ser	33964	Accounting	1-612	876.80	876.80
06/12/2018	Special District Management Ser	33964	Audit	1-615	109.60	109.60
06/12/2018	Special District Management Ser	33964	Election Expense	1-635	246.60	246.60
06/12/2018	Special District Management Ser	33964	Miscellaneous Expense	1-690	12.60	12.60
Total 1612:						1,505.90
1613						
06/12/2018	The Villager Legals	8298	Election Expense	1-635	40.24	40.24
Total 1613:						40.24
1614						
06/12/2018	US Bank	5005104	Paying Agent Fees	2-668	2,000.00	2,000.00
Total 1614:						2,000.00
Grand Totals:						3,633.64

**Piney Creek Village Metropolitan District**  
**June-18**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
<b>Disbursements</b>	<b>\$ 1,633.64</b>		<b>\$ 2,000.00</b>	<b>\$ 3,633.64</b>
<b>Payroll</b>	<b>\$ -</b>			<b>\$ -</b>
<b>Payroll Taxes</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>Total Disbursements from Checking Acct</b>	<b>\$1,633.64</b>	<b>\$0.00</b>	<b>\$2,000.00</b>	<b>\$3,633.64</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1615						
07/20/2018	McGeady Becher P.C.	607M 6/18	Legal	1-675	1,478.44	1,478.44
Total 1615:						1,478.44
1616						
07/20/2018	Simmons & Wheeler, PC	22730	Audit	1-615	3,900.00	3,900.00
Total 1616:						3,900.00
1617						
07/20/2018	Special District Management Ser	35482	District Management	1-614	232.90	232.90
07/20/2018	Special District Management Ser	35482	Accounting	1-612	671.30	671.30
07/20/2018	Special District Management Ser	35482	Election Expense	1-635	54.80	54.80
07/20/2018	Special District Management Ser	35482	Audit	1-615	123.30	123.30
07/20/2018	Special District Management Ser	35482	Miscellaneous Expense	1-690	15.90	15.90
Total 1617:						1,098.20
Grand Totals:						6,476.64



**Piney Creek Village Metropolitan District  
July-18**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
<b>Disbursements</b>	\$ 6,476.64		\$ -	\$ 6,476.64
<b>Payroll</b>	\$ -			\$ -
<b>Payroll Taxes</b>	-	\$ -	-	-
<b>Total Disbursements from Checking Acct</b>	<b>\$6,476.64</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,476.64</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1618						
08/13/2018	McGeady Becher P.C.	607M 7/18	Legal	1-675	17.50	17.50
Total 1618:						17.50
1619						
08/13/2018	Special District Management Ser	37065	District Management	1-614	82.20	82.20
08/13/2018	Special District Management Ser	37065	Accounting	1-612	616.50	616.50
08/13/2018	Special District Management Ser	37065	Election Expense	1-635	13.70	13.70
08/13/2018	Special District Management Ser	37065	Insurance and Bonds	1-670	13.70	13.70
08/13/2018	Special District Management Ser	37065	Audit	1-615	41.10	41.10
08/13/2018	Special District Management Ser	37065	Miscellaneous Expense	1-690	15.89	15.89
Total 1619:						783.09
Grand Totals:						800.59

Piney Creek Village Metropolitan District  
August-18

	General	Enterprise	Debt	Totals
Disbursements	\$ 800.59		\$ -	\$ 800.59
Payroll	\$ -			\$ -
Payroll Taxes	-	\$ -	-	-
<b>Total Disbursements from Checking Acct</b>	<b>\$800.59</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$800.59</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1620						
09/21/2018	Special Dist Mgmt Services, Inc	38024	District Management	1-614	123.30	123.30
09/21/2018	Special Dist Mgmt Services, Inc	38024	Accounting	1-612	397.30	397.30
09/21/2018	Special Dist Mgmt Services, Inc	38024	Insurance and Bonds	1-670	27.40	27.40
09/21/2018	Special Dist Mgmt Services, Inc	38024	Miscellaneous Expense	1-690	7.53	7.53
Total 1620:						555.53
Grand Totals:						555.53

**Piney Creek Village Metropolitan District  
September-18**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
<b>Disbursements</b>	\$ 555.53		\$ -	\$ 555.53
<b>Payroll</b>	\$ -			\$ -
<b>Payroll Taxes</b>	-	\$ -	-	\$ -
<b>Total Disbursements from Checking Acct</b>	<u>\$555.53</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$555.53</u>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1921						
10/19/2018	Colorado Special Districts P&L	19W60002-799	Prepaid Insurance	1-142	350.00	350.00
Total 1921:						350.00
1922						
10/19/2018	McGeady Becher P.C.	607M 9/18	Legal	1-675	70.00	70.00
Total 1922:						70.00
1923						
10/19/2018	Special Dist Mgmt Services, Inc	39890	District Management	1-614	68.50	68.50
10/19/2018	Special Dist Mgmt Services, Inc	39890	Accounting	1-612	328.80	328.80
10/19/2018	Special Dist Mgmt Services, Inc	39890	Insurance and Bonds	1-670	27.40	27.40
10/19/2018	Special Dist Mgmt Services, Inc	39890	Election Expense	1-635	13.70	13.70
10/19/2018	Special Dist Mgmt Services, Inc	39890	Miscellaneous Expense	1-690	5.86	5.86
Total 1923:						444.26
Grand Totals:						864.26

**Piney Creek Village Metropolitan District  
October-18**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
<b>Disbursements</b>	\$ 864.26		\$ -	\$ 864.26
<b>Payroll</b>	\$ -			\$ -
<b>Payroll Taxes</b>	-	\$ -	-	\$ -
<b>Total Disbursements from Checking Acct</b>	<u>\$864.26</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$864.26</u>

Piney Creek Village Metropolitan District  
November-18

	General	Enterprise	Debt	Totals
Disbursements	\$ 916.68		\$ -	\$ 916.68
Payroll	\$ -			\$ -
Payroll Taxes	-	\$ -	-	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$916.68</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$916.68</b>



Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1926						
11/14/2018	McGeady Becher P.C.	607M 10/18	Legal	1-675	6.00	6.00
Total 1926:						6.00
1927						
11/14/2018	Special Dist Mgmt Services, Inc	40531	District Management	1-614	411.00	411.00
11/14/2018	Special Dist Mgmt Services, Inc	40531	Accounting	1-612	465.80	465.80
11/14/2018	Special Dist Mgmt Services, Inc	40531	Insurance and Bonds	1-670	27.40	27.40
11/14/2018	Special Dist Mgmt Services, Inc	40531	Miscellaneous Expense	1-690	6.48	6.48
Total 1927:						910.68
Grand Totals:						916.68

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
Schedule of Cash Position  
October 31, 2018

	Rate	Operating	Debt Service	Total
<b>Checking:</b>				
Cash in Bank - FirstBank		\$ 2,448.87	\$ 1,485.33	\$ 3,934.20
<b>Investments:</b>				
Cash in Bank-ColoTrust	1.96%	41,812.17	344,494.09	386,306.26
<b>Trustee:</b>				
USBank Pledged Revenue		-	-	-
USBank Loan Payment Fund		-	-	-
<b>TOTAL FUNDS:</b>		\$ 44,261.04	\$ 345,979.42	\$ 390,240.46

**2018 Mill Levy Information**

Certified General Fund Mill Levy	3.313
Certified Debt Service Fund Mill Levy	37.550
Total Certified Mill Levy	40.863

**Board of Directors**

Billy Joe Penrod  
Daniel Kumsok Oh  
Vacant

\*Authorized signer on Checking Account

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

**FINANCIAL STATEMENTS**

October 31, 2018

PINEY CREEK VILLAGE METROPOLITAN DISTRICT  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 October 31, 2018

	GENERAL	DEBT SERVICE	LONG-TERM DEBT	TOTAL MEMO ONLY
<b>Assets</b>				
Cash in Bank - FirstBank	\$ 2,448.87	\$ 1,485.33	\$ -	\$ 3,934.20
Cash in Bank-ColoTrust	41,812.17	344,494.09	-	386,306.26
Property Taxes Receivable	-	-	-	-
Total Current Assets	<u>44,611.04</u>	<u>345,979.42</u>	<u>-</u>	<u>390,590.46</u>
<b>Other Debits</b>				
Amount in Debt Service Fund	-	-	345,979.38	345,979.38
Amount to be Provided for Debt	-	-	5,199,020.62	5,199,020.62
Total Other Debits	<u>-</u>	<u>-</u>	<u>5,545,000.00</u>	<u>5,545,000.00</u>
<b>Total Assets</b>	<u><u>\$ 44,611.04</u></u>	<u><u>\$ 345,979.42</u></u>	<u><u>\$ 5,545,000.00</u></u>	<u><u>\$ 5,935,590.46</u></u>
<b>Liabilities</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Payroll Taxes Payable	30.60	-	-	30.60
Loan Payable	-	-	5,545,000.00	5,545,000.00
Total Liabilities	<u>30.60</u>	<u>-</u>	<u>5,545,000.00</u>	<u>5,545,030.60</u>
<b>Deferred Inflows of Resources</b>				
Deferred Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance	29,878.07	41,369.36	-	71,247.43
Current Year Earnings	14,702.37	304,610.06	-	319,312.43
Total Fund Balances	<u>44,580.44</u>	<u>345,979.42</u>	<u>-</u>	<u>390,559.86</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u><u>\$ 44,611.04</u></u>	<u><u>\$ 345,979.42</u></u>	<u><u>\$ 5,545,000.00</u></u>	<u><u>\$ 5,935,590.46</u></u>

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the 10 Months Ending,**  
**October 31, 2018**

<u>Account Description</u>	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Under/(Over) Budget</u>	<u>% of Budget</u>
<b>Revenues</b>					
Property Taxes	\$ -	\$ 32,092.94	\$ 32,093.00	\$ 0.06	100.0%
Specific Ownership Taxes	113.93	1,700.65	1,926.00	225.35	88.3%
Interest Income	82.11	688.59	400.00	(288.59)	172.1%
<b>Total Revenues</b>	<u>196.04</u>	<u>34,482.18</u>	<u>34,419.00</u>	<u>(63.18)</u>	<u>100.2%</u>
<b>Expenditures</b>					
Accounting	328.80	5,945.80	9,965.00	4,019.20	59.7%
District Management	68.50	1,664.70	8,058.00	6,393.30	20.7%
Audit	-	4,629.30	6,800.00	2,170.70	68.1%
Director's Fees	-	-	600.00	600.00	0.0%
Election Expense	13.70	1,071.76	1,000.00	(71.76)	107.2%
Insurance and Bonds	27.40	3,410.91	4,015.00	604.09	85.0%
Legal	70.00	1,933.44	6,120.00	4,186.56	31.6%
SDA	-	317.40	400.00	82.60	79.4%
Miscellaneous Expense	15.86	294.19	1,000.00	705.81	29.4%
Payroll Taxes	-	30.60	46.00	15.40	66.5%
Treasurer's Fees	-	481.71	481.00	(0.71)	100.1%
Emergency Reserves	-	-	1,033.00	1,033.00	0.0%
Contingency	-	-	18,372.00	18,372.00	0.0%
<b>Total Expenditures</b>	<u>524.26</u>	<u>19,779.81</u>	<u>57,890.00</u>	<u>38,110.19</u>	<u>34.2%</u>
Excess (Deficiency) of Revenues Over Expenditures	(328.22)	14,702.37	(23,471.00)	(38,173.37)	
Beginning Fund Balance	-	29,878.07	23,471.00	(6,407.07)	
<b>Ending Fund Balance</b>	<u>\$ (328.22)</u>	<u>\$ 44,580.44</u>	<u>\$ -</u>	<u>\$ (44,580.44)</u>	

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Debt Service Fund**  
**For the 10 Months Ending,**  
**October 31, 2018**

<u>Account Description</u>	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Under/(Over) Budget</u>	<u>% of Budget</u>
<b>Revenues</b>					
Property Taxes	\$ -	\$ 363,745.81	\$ 363,746.00	\$ 0.19	100.0%
Specific Ownership Taxes	1,291.25	19,275.31	21,825.00	2,549.69	88.3%
Interest Income	676.15	4,177.14	2,100.00	(2,077.14)	198.9%
<b>Total Revenues</b>	<u>1,967.40</u>	<u>387,198.26</u>	<u>387,671.00</u>	<u>472.74</u>	<u>99.9%</u>
<b>Expenditures</b>					
Loan Principal	-	-	190,000.00	190,000.00	0.0%
Loan Interest	-	75,128.59	151,496.00	76,367.41	49.6%
Paying Agent Fees	-	2,000.00	2,000.00	-	100.0%
Treasurer's Fees	-	5,459.61	5,456.00	(3.61)	100.1%
<b>Total Expenditures</b>	<u>-</u>	<u>82,588.20</u>	<u>348,952.00</u>	<u>266,363.80</u>	<u>23.7%</u>
Excess (Deficiency) of Revenues Over Expenditures	1,967.40	304,610.06	38,719.00	(265,891.06)	
Beginning Fund Balance	-	41,369.36	34,537.00	(6,832.36)	
<b>Ending Fund Balance</b>	<u>\$ 1,967.40</u>	<u>\$ 345,979.42</u>	<u>\$ 73,256.00</u>	<u>\$ (272,723.42)</u>	

**PINEY CREEK VILLAGE  
METROPOLITAN DISTRICT**

Financial Statements

Year Ended December 31, 2017

with

Independent Auditors' Report

## C O N T E N T S

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Board of Directors  
Piney Creek Village Metropolitan District  
Arapahoe County, Colorado

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the Piney Creek Village Metropolitan District, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

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

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Piney Creek Village Metropolitan District as of December 31, 2017, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other-Matters***

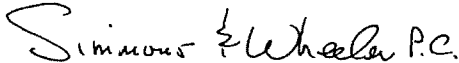
*Required Supplementary Information*

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Piney Creek Village Metropolitan District's basic financial statements. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

 Simmons & Wheeler P.C.

Englewood, CO  
June 7, 2018

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

BALANCE SHEET/STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
December 31, 2017

	<u>General</u>	Debt <u>Service</u>	<u>Total</u>	<u>Adjustments</u>	Statement of <u>Net Position</u>
<b>ASSETS</b>					
Cash and investments	\$ 27,373	\$ -	\$ 27,373	\$ -	\$ 27,373
Cash and investments - restricted	1,033	39,213	40,246	-	40,246
Receivable - County Treasurer	191	2,156	2,347	-	2,347
Property taxes receivable	32,093	363,746	395,839	-	395,839
Prepaid expenses	<u>3,301</u>	<u>-</u>	<u>3,301</u>	<u>-</u>	<u>3,301</u>
Total Assets	<u>63,991</u>	<u>405,115</u>	<u>469,106</u>	<u>-</u>	<u>469,106</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred loss on refunding	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,308</u>	<u>137,308</u>
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,308</u>	<u>137,308</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 63,991</u>	<u>\$ 405,115</u>	<u>\$ 469,106</u>		
<b>LIABILITIES</b>					
Accounts payable	\$ 2,020	\$ -	\$ 2,020	-	2,020
Accrued interest on bonds	-	-	-	12,556	12,556
Long-term liabilities:					
Due within one year	-	-	-	190,000	190,000
Due in more than one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,355,000</u>	<u>5,355,000</u>
Total Liabilities	<u>2,020</u>	<u>-</u>	<u>2,020</u>	<u>5,557,556</u>	<u>5,559,576</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred property taxes	<u>32,093</u>	<u>363,746</u>	<u>395,839</u>	<u>-</u>	<u>395,839</u>
Total Deferred Inflows of Resources	<u>32,093</u>	<u>363,746</u>	<u>395,839</u>	<u>-</u>	<u>395,839</u>
<b>FUND BALANCES/NET POSITION</b>					
Fund Balances:					
Nonspendable:					
Prepays	3,301	-	3,301	(3,301)	-
Restricted:					
Emergencies	1,033	-	1,033	(1,033)	-
Debt service	-	41,369	41,369	(41,369)	-
Unassigned	<u>25,544</u>	<u>-</u>	<u>25,544</u>	<u>(25,544)</u>	<u>-</u>
Total Fund Balances	<u>29,878</u>	<u>41,369</u>	<u>71,247</u>	<u>(71,247)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 63,991</u>	<u>\$ 405,115</u>	<u>\$ 469,106</u>		
Net Position:					
Restricted for:					
Emergencies				1,033	1,033
Debt service				28,813	28,813
Unrestricted				<u>(5,378,847)</u>	<u>(5,378,847)</u>
Total Net Position				<u>\$ (5,349,001)</u>	<u>\$ (5,349,001)</u>

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

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

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

For the Year Ended December 31, 2017

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>EXPENDITURES</b>					
General expenses:					
Accounting	\$ 9,970	\$ -	\$ 9,970	\$ -	\$ 9,970
Audit	6,852	-	6,852	-	6,852
Directors fees	200	-	200	-	200
Election expense	54	-	54	-	54
Insurance	3,422	-	3,422	-	3,422
Legal	5,172	-	5,172	-	5,172
Management fees	5,692	-	5,692	-	5,692
Miscellaneous expenses	1,616	-	1,616	-	1,616
Payroll taxes	15	-	15	-	15
SDA	283	-	283	-	283
Treasurer's fees	422	4,768	5,190	-	5,190
Debt Service:					
Loan principal	-	185,000	185,000	(185,000)	-
Loan interest expense	-	155,697	155,697	17,688	173,385
Paying agent fees	-	2,000	2,000	-	2,000
	<u>33,698</u>	<u>347,465</u>	<u>381,163</u>	<u>(167,312)</u>	<u>213,851</u>
<b>GENERAL REVENUES</b>					
Property taxes	28,139	317,742	345,881	-	345,881
Specific ownership taxes	2,410	27,208	29,618	-	29,618
Miscellaneous income	750	-	750	-	750
Interest income	364	2,220	2,584	-	2,584
	<u>31,663</u>	<u>347,170</u>	<u>378,833</u>	<u>-</u>	<u>378,833</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>					
	(2,035)	(295)	(2,330)	167,312	164,982
<b>NET CHANGES IN FUND BALANCES</b>					
	(2,035)	(295)	(2,330)	2,330	
<b>CHANGE IN NET POSITION</b>					
				164,982	164,982
<b>FUND BALANCES/NET POSITION:</b>					
BEGINNING OF YEAR	<u>31,913</u>	<u>41,664</u>	<u>73,577</u>	<u>(5,587,560)</u>	<u>(5,513,983)</u>
END OF YEAR	<u>\$ 29,878</u>	<u>\$ 41,369</u>	<u>\$ 71,247</u>	<u>\$ (5,420,248)</u>	<u>\$ (5,349,001)</u>

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

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

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

For the Year Ended December 31, 2017

	<u>Original and</u> <u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
<b>REVENUES</b>			
Property taxes	\$ 28,036	\$ 28,139	\$ 103
Specific ownership taxes	2,000	2,410	410
Miscellaneous income	103	750	647
Interest income	400	364	(36)
Total Revenues	30,539	31,663	1,124
<b>EXPENDITURES</b>			
Accounting	9,770	9,970	(200)
Audit	6,200	6,852	(652)
Directors fees	600	200	400
Election expense	-	54	(54)
Insurance	3,650	3,422	228
Legal	6,000	5,172	828
Management fees	7,900	5,692	2,208
Miscellaneous expenses	1,000	1,616	(616)
Payroll taxes	46	15	31
SDA	400	283	117
Treasurer's fees	2,000	422	1,578
Contingency	24,978	-	24,978
Emergency reserve	916	-	916
Total Expenditures	63,460	33,698	29,762
<b>NET CHANGE IN FUND BALANCE</b>	(32,921)	(2,035)	30,886
<b>FUND BALANCE:</b>			
BEGINNING OF YEAR	32,921	31,913	(1,008)
END OF YEAR	\$ -	\$ 29,878	\$ 29,878

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

## PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements

December 31, 2017

### Note 1: Summary of Significant Accounting Policies

The accounting policies of the Piney Creek Village Metropolitan District, (“the District”), located in Arapahoe County, Colorado (“the County”); 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 18, 2001, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to finance and construct certain improvements that benefit the citizens of the District. The District's primary revenues are property taxes. 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.

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.

PINEY CREEK VILLAGE METROPOLITAN DISTRICT  
Notes to Financial Statements  
December 31, 2017

**Note 1: Summary of Significant Accounting Policies (continued)**

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 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.

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
Notes to Financial Statements  
December 31, 2017

**Note 1: Summary of Significant Accounting Policies (continued)**

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.

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.

In November 2017, the District amended its total appropriations in the Debt Service Fund from \$348,963 to \$349,000 primarily due to the expectation of higher servicing fees.

Assets, Liabilities 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, 2017, 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.

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.



## PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements

December 31, 2017

### Note 1: Summary of Significant Accounting Policies (continued)

#### 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. As of December 31, 2017, the District has one item that qualifies for reporting in this category. It is the deferred loss on refunding reported in the government-wide statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### 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 two 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 2017.

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

Notes to Financial Statements

December 31, 2017

**Note 1: Summary of Significant Accounting Policies (continued)**

All assets were transferred to Arapahoe County and East Cherry Creek Valley Water and Sanitation District as of December 2003.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year.

The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Property owners within the boundaries of the District have been assessed \$395,839 for 2017. Since these taxes are not normally available to the District until 2018, they are classified as deferred income until 2018.

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.

Loss on Refunding

The Loss on Refunding from the 2015 Loan is being amortized over the term of the refunding loan using the straight line method. Accumulated amortization on the loss on refunding amounted to \$48,285 at December 31, 2017.

Fund Equity

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:

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
Notes to Financial Statements  
December 31, 2017

**Note 1: Summary of Significant Accounting Policies (continued)**

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 \$3,301 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 \$1,033 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$41,369 is restricted for the payment of the debt service costs associated with the 2015 Loan (see Note 4).

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.

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.

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 classification first when more than one is available.

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
Notes to Financial Statements  
December 31, 2017

**Note 1: Summary of Significant Accounting Policies (continued)**

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports 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 or 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 are available, the District will use the most restrictive net position first.

**Note 2: Cash and Investments**

As of December 31, 2017, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 27,373
Cash and investments - Restricted	<u>40,246</u>
Total	\$ <u>67,619</u>

Cash and investments as of December 31, 2017, consist of the following:

Deposits with financial institutions	\$ 6,373
Investments – COLOTRUST	<u>61,246</u>
	\$ <u>67,619</u>

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
Notes to Financial Statements  
December 31, 2017

**Note 2: Cash and Investments (continued)**

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 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 follows state statutes 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 investment is not required to be categorized within the fair value hierarchy. This investment’s value is calculated using the net asset value method (NAV) per share.

Credit Risk

The District investment policy requires that the District follow state statutes regarding 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.

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
Notes to Financial Statements  
December 31, 2017

**Note 2: Cash and Investments (continued)**

Interest Rate Risk

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

As of December 31, 2017, the District had the following investments:

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 ventures established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. 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 Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Designated custodian banks provide safekeeping and depository services to the trusts. Substantially all securities owned by the trusts are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians’ internal records identify the investments owned by COLOTRUST. At December 31, 2017, the District had \$61,246 invested in COLOTRUST.

**Note 3: Capital Assets**

The District has previously completed and transferred all capital assets to Arapahoe County and East Cherry Creek Valley Water and Sanitation District.

**Note 4: Long Term Debt**

The following is an analysis of changes in long-term debt for the period ending December 31, 2017:

	<u>Balance</u> <u>12-31-16</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12-31-17</u>	<u>Current</u> <u>Portion</u>
Refunding Loan - Series 2015	\$ 5,730,000	\$ -	\$ 185,000	\$ 5,545,000	\$ 190,000
Total Long term Debt	<u>\$ 5,730,000</u>	<u>\$ -</u>	<u>\$ 185,000</u>	<u>\$ 5,545,000</u>	<u>\$ 190,000</u>

## PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements  
December 31, 2017

### Note 4: Long Term Debt (continued)

A description of the long-term obligations as of December 31, 2017, is as follows:

#### 2015 Loan Agreement and Note (\$6,085,000)

On May 5, 2015, the District and U.S. Bank National Association (the "Bank") entered into a Loan Agreement pursuant to which the Bank loaned the District \$6,085,000 ("2015 Loan") for the purpose of refunding the District's \$6,600,000 General Obligation Limited Tax Convertible to Unlimited Tax Bonds, Series 2005 ("2005 Bonds"). The 2015 Loan was obtained to provide \$6,400,261 in order to refund the outstanding balance of the 2005 Bonds of \$6,070,000. The District executed a Promissory Note evidencing the 2015 Loan in the total amount of \$6,085,000.

The 2015 Loan matures on August 1, 2025 and bears interest at a fixed rate of 2.68%. Principal payments on the Loan are due on each December 1, commencing on December 1, 2015, and interest payments are due on each June 1 and December 1, commencing December 1, 2015. On any date on or after May 5, 2022, the District may, at its option, prepay all or any part of the principal of the Loan plus accrued without any prepayment penalty.

The 2015 Loan is payable from and secured by the Pledged Revenue, which consists of the Required Mill Levy (described below), the portion of the Specific Ownership Taxes (as defined in the Loan Agreement) allocable to the amount of the Required Mill Levy, and any other legally available moneys which the Board of Directors of the District determines in its sole discretion to apply as Pledged Revenue. Subject to the limitations of the District's electoral authorization, and as further described in Loan Agreement, the Required Mill Levy means (a) prior to the Maturity Date, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient, when combined with moneys held in the Loan Payment Fund (as defined in the Loan Agreement), to pay the Estimated Debt Requirements (as defined in the Loan Agreement), but not in excess of 99.00 mills less the amount of the Operations Mill Levy (as defined in the Loan Agreement), and (b) for any debt service tax levy occurring on or after the Maturity Date, an ad valorem mill levy imposed upon all taxable property of the District each year in the amount of 61.181 mills as adjusted by the Gallagher amendment.

As a result of the issuance of the 2015 Loan, the 2005 Bonds are considered to be defeased and the liabilities have been removed from the governmental activities column of the statement of net position. The reacquisition price of the old debt exceeded the net carrying amount by \$185,593. This amount is recorded as a deferred outflow and is being amortized over the life of the 2015 Loan. The refunding resulted in an economic gain of approximately \$1,422,345 due to the average interest rate of the Series 2015 Loan being lower than the refunded bonds.

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

Notes to Financial Statements  
December 31, 2017

**Note 4: Long-Term Debt (continued)**

The following is a summary of the annual long-term debt principal and interest requirements as of December 31, 2017:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 190,000	\$ 150,670	\$ 340,670
2019	195,000	145,507	340,507
2020	200,000	140,593	340,593
2021	205,000	134,774	339,774
2022	210,000	129,204	339,204
2023 - 2025	<u>4,545,000</u>	<u>315,735</u>	<u>4,860,735</u>
	<u>\$ 5,545,000</u>	<u>\$ 1,016,483</u>	<u>\$ 6,561,483</u>

**Note 5: Debt Authorization**

As of December 31, 2017, the District had \$12,315,000 of authorized but unissued debt for providing public improvements. 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 did not budget to issue any debt in 2018.

**Note 6: Service Plan**

In December 2014, the District petitioned the City of Centennial (the "City") for acceptance as approving authority over the District which is located entirely within the boundaries of the City and for approval of an amendment to the District's Service Plan, to remove the Limited Mill Levy cap as defined in the District's Service Plan. Upon approval of both petitions by the City Council on February 17, 2015, all authority that had been vested with Arapahoe County was transferred to the City. The First Amendment to the Service Plan of the District was approved, removing the Limited Mill Levy cap with the objective to lower the District's overall mill levy in the long-term by refinancing its existing bonds and lowering the annual interest rate on its indebtedness. These goals can be met by pledging an unlimited mill levy for bond repayment.



**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
Notes to Financial Statements  
December 31, 2017

**Note 7: 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 6, 2001 a majority of the District’s electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

**Note 8: Risk Management**

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., C.R.S., 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.

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
Notes to Financial Statements  
December 31, 2017

**Note 9: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements**

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

- 1) long-term liabilities such as bonds payable and accrued bond interest payable are not due and payable in the current period and, therefore, are not in the funds.

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

- 1) 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; and
- 2) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

**SUPPLEMENTAL INFORMATION**

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

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

For the Year Ended December 31, 2017

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
<b>REVENUES</b>				
Property taxes	\$ 317,742	\$ 317,742	\$ 317,742	\$ -
Specific ownership taxes	22,000	22,000	27,208	5,208
Interest income	<u>1,200</u>	<u>2,130</u>	<u>2,220</u>	<u>90</u>
Total Revenues	<u>340,942</u>	<u>341,872</u>	<u>347,170</u>	<u>5,298</u>
<b>EXPENDITURES</b>				
Loan principal	185,000	185,000	185,000	-
Loan interest expense	155,697	155,697	155,697	-
Paying agent fees	3,000	3,000	2,000	1,000
Continuing disclosures	500	535	-	535
Treasurer's fees	<u>4,766</u>	<u>4,768</u>	<u>4,768</u>	<u>-</u>
Total Expenditures	<u>348,963</u>	<u>349,000</u>	<u>347,465</u>	<u>1,535</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(8,021)</b>	<b>(7,128)</b>	<b>(295)</b>	<b>6,833</b>
<b>FUND BALANCE:</b>				
BEGINNING OF YEAR	<u>36,921</u>	<u>41,665</u>	<u>41,664</u>	<u>(1)</u>
END OF YEAR	<u>\$ 28,900</u>	<u>\$ 34,537</u>	<u>\$ 41,369</u>	<u>\$ 6,832</u>

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

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

SUMMARY OF ASSESSED VALUATION, MILL LEVY  
AND PROPERTY TAXES COLLECTED

December 31, 2017

<u>Year Ended</u> <u>December 31,</u>	<u>Year Property</u> <u>Tax Levy</u>	<u>Mills Levied</u>		<u>Total Property Tax</u>		<u>Percent</u> <u>Collected</u> <u>to Levied</u>
		<u>General Fund</u>	<u>Debt Service</u>	<u>Levied</u>	<u>Collected</u>	
2003	\$ 1,894,570	37.000	0.000	\$ 70,099	\$ 69,664	99.38%
2004	\$ 3,359,730	37.000	0.000	\$ 124,310	\$ 120,475	96.91%
2005	\$ 4,384,570	42.550	0.000	\$ 186,563	\$ 186,563	100.00%
2006	\$ 5,643,470	2.550	40.000	\$ 240,130	\$ 240,130	100.00%
2007	\$ 8,491,620	2.550	40.000	\$ 361,318	\$ 361,319	100.00%
2008	\$ 10,377,960	2.550	40.000	\$ 441,582	\$ 441,265	99.93%
2009	\$ 10,352,350	2.550	40.000	\$ 440,492	\$ 440,286	99.95%
2010	\$ 8,427,110	4.000	40.000	\$ 370,793	\$ 369,392	99.62%
2011	\$ 8,405,700	4.000	40.000	\$ 369,851	\$ 369,851	100.00%
2012	\$ 7,659,960	4.500	48.000	\$ 402,148	\$ 402,148	100.00%
2013	\$ 7,694,120	4.500	55.000	\$ 457,800	\$ 457,800	100.00%
2014	\$ 8,322,670	5.500	54.000	\$ 495,199	\$ 494,151	99.79%
2015	\$ 8,330,099	5.500	54.000	\$ 495,641	\$ 495,641	100.00%
2016	\$ 9,331,398	3.000	34.000	\$ 345,262	\$ 345,264	100.00%
2017	\$ 9,345,357	3.011	34.000	\$ 345,881	\$ 345,881	100.00%
Estimated for year ending December 31, 2018	\$ 9,686,971	3.313	37.550	\$ 395,839		

**NOTE**

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

October 23, 2018

Board of Directors  
Piney Creek Village Metropolitan District  
c/o Special District Management  
141 Union Boulevard, Suite #150  
Lakewood, CO 80228

We are pleased to confirm our understanding of the services we are to provide Piney Creek Village Metropolitan District for the year ended December 31, 2018. We will audit the financial statements of the governmental activities, the business-type activities (if applicable), each major fund and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Piney Creek Village Metropolitan District as of and for the year ended December 31, 2018. If applicable, the accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Piney Creek Village Metropolitan District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Piney Creek Village Metropolitan District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The document will also include management's discussion and analysis (as prepared by management) if applicable. We will apply certain limited procedures, which will consist principally of inquiries of management regarding methods of measurement and presentation, to management's discussion and analysis. However, we will not audit management's discussion and analysis and will express no opinion on it.

If applicable, we have also been engaged to report on supplementary information other than RSI that accompanies Piney Creek Village Metropolitan District's financial statements. We will subject the supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements.

If applicable, the document will include other information accompanying the financial statements that will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

### **Audit Objective**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information when considered in relation to the basic financial statements taken as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

### **Management Responsibilities**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You agree to assume all management responsibilities for any nonattest services we provide; oversee the services by designating an individual with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. We will perform non-attest services which include the preparation of the financial statements listed in the table of contents.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Piney Creek Village Metropolitan District and the respective changes in financial position and where applicable, cash flows, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

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

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

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

#### **Audit Procedures - General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

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



Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

#### **Audit Procedures - Internal Control**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

#### **Audit Procedures - Compliance**

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

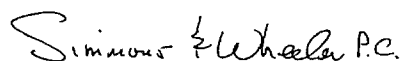
#### **Audit Administration, Fees and Other**

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$ 4,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. We will contact you to schedule an appropriate time to commence our field work.

We certify that we will comply with the provisions of C.R.S. §8-17.5-101, *et seq.* We will not knowingly employ or contract with an illegal alien to perform work under this contract. We represent, warrant, and agree that we have verified that we do not employ any illegal aliens, through participation in the Electronic Employment Verification Program administered by the Social Security Administration and the Department of Homeland Security. We have not used the Electronic Employment Verification Program to undertake pre-employment screening of job applicants. We shall use no subcontractor in the performance of our services under this engagement letter. We will comply with any reasonable request by the Colorado Department of Labor and Employment made in the course of an investigation the department is undertaking pursuant to the law. If we violate any provision of C.R.S. §8-17.5-101, *et seq.* the District may terminate this contract for breach of contract and we shall be liable for actual and consequential damages to the District.

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

Very truly yours,



Simmons & Wheeler, P.C.

RESPONSE

This letter correctly sets forth the understanding of Piney Creek Village Metropolitan District:

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

## CERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity  YES  NO

Date: August 23, 2018

NAME OF TAX ENTITY: PINEY CREEK VIL METRO DIS

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

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2018:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	9,686,971
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	9,694,169
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	9,694,169
5. NEW CONSTRUCTION: *	5.	\$	5,304
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	0
7. ANNEXATIONS/INCLUSIONS:	7.	\$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ☐	9.	\$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	0

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constitution

\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 &amp; 52A.

☐ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

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

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2018:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	133,111,728
<b>ADDITIONS TO TAXABLE REAL PROPERTY</b>			
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$	73,090
3. ANNEXATIONS/INCLUSIONS:	3.	\$	0
4. INCREASED MINING PRODUCTION: §	4.	\$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	0

**DELETIONS FROM TAXABLE REAL PROPERTY**

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

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

\* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

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

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$	0
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NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.



Marc Scott

Assessor

August 23, 2018

OFFICE OF THE ASSESSOR  
5334 S. Prince Street  
Littleton, CO 80120-1136  
Phone: 303-797-1295  
TDD: Relay-711  
Fax: 303-795-4600  
[www.arapahoegov.com/Assessor](http://www.arapahoegov.com/Assessor)  
[assessor@arapahoegov.com](mailto:assessor@arapahoegov.com)

AUTH 4515 PINEY CREEK VIL METRO DIS  
LISA JACOBY  
141 UNION BLVD. STE. 150  
LAKEWOOD CO 80228-1898

Code # 4515

### CERTIFICATION OF VALUATION

The Arapahoe County Assessor reports a taxable assessed valuation for your taxing entity for 2018 of:

\$9,694,169

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

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

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

Marc Scott  
Arapahoe County Assessor

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**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**  
**Assessed Value, Property Tax and Mill Levy Information**

	<b>2017 Actual</b>	<b>2018 Adopted Budget</b>	<b>2019 Preliminary Budget</b>
<b>Assessed Valuation</b>	\$ 9,345,357	\$ 9,686,971	\$ 9,694,169
<b>Mill Levy</b>			
General Fund	3.000	3.313	3.313
Debt Service Fund	34.000	37.550	37.550
Refunds and Abatements	0.011	-	-
<b>Total Mill Levy</b>	<u>37.011</u>	<u>40.863</u>	<u>40.863</u>
<b>Property Taxes</b>			
General Fund	\$ 28,036	\$ 32,093	\$ 32,117
Debt Service Fund	317,742	363,746	364,016
Refunds and Abatements	103	-	-
<b>Actual/Budgeted Property Taxes</b>	<u>\$ 345,881</u>	<u>\$ 395,839</u>	<u>\$ 396,133</u>

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

**GENERAL FUND**

**2019 Preliminary Budget**

with 2017 Actual, 2018 Adopted Budget, and 2018 Estimated

	2017 Actual	01/18-10/18 YTD Actual	2018 Adopted Budget	2018 Estimated	2019 Preliminary Budget
<b>BEGINNING FUND BALANCE</b>	\$ 31,913	\$ 29,878	\$ 23,471	\$ 29,878	\$ 29,395
<b>REVENUE</b>					
Property Taxes	28,139	32,093	32,093	32,093	32,117
Specific Ownership Taxes	2,410	1,701	1,926	1,926	1,927
Refunds and Abatements	-	-	-	-	-
Interest Income	364	689	400	800	800
Miscellaneous Income	750				
<b>Total Revenue</b>	<b>31,663</b>	<b>34,482</b>	<b>34,419</b>	<b>34,819</b>	<b>34,844</b>
<b>Total Funds Available</b>	<b>63,576</b>	<b>64,360</b>	<b>57,890</b>	<b>64,697</b>	<b>64,239</b>
<b>EXPENDITURES</b>					
Accounting	9,970	5,946	9,965	9,500	9,900
District Management	5,692	1,665	8,058	7,900	8,000
Audit	6,853	4,629	6,800	4,629	5,000
Director's Fees	200	-	600	400	600
Election Expense	54	1,072	1,000	1,072	-
Insurance and Bonds	3,422	3,411	4,015	3,411	3,750
Legal	5,172	1,933	6,120	6,000	6,150
SDA	283	317	400	317	400
Miscellaneous Expense	1,616	294	1,000	500	1,000
Payroll Taxes	15	31	46	46	46
Treasurer's Fees	422	482	481	482	482
Emergency Reserves	-	-	1,033	1,045	1,045
Contingency	-	-	18,372	-	12,000
<b>Total Expenditures</b>	<b>33,698</b>	<b>19,780</b>	<b>57,890</b>	<b>35,302</b>	<b>48,373</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>33,698</b>	<b>19,780</b>	<b>57,890</b>	<b>35,302</b>	<b>48,373</b>
<b>ENDING FUND BALANCE</b>	\$ 29,878	\$ 44,580	\$ -	\$ 29,395	\$ 15,866

**PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

**DEBT SERVICE FUND  
2019 Preliminary Budget**

with 2017 Actual, 2018 Adopted Budget, and 2018 Estimated

	2017 Actual	01/18-10/18 YTD Actual	2018 Adopted Budget	2018 Estimated	2019 Preliminary Budget
<b>BEGINNING FUND BALANCE</b>	\$ 41,665	\$ 41,369	\$ 34,537	\$ 41,369	\$ 82,395
<b>REVENUE</b>					
Property Taxes	317,742	363,746	363,746	363,746	364,016
Specific Ownership Taxes	27,208	19,275	21,825	20,500	21,841
Interest Income	2,220	4,177	2,100	4,500	2,000
<b>Total Revenue</b>	<b>347,170</b>	<b>387,198</b>	<b>387,671</b>	<b>388,746</b>	<b>387,857</b>
<b>Total Funds Available</b>	<b>388,835</b>	<b>428,568</b>	<b>422,208</b>	<b>430,115</b>	<b>470,252</b>
<b>EXPENDITURES</b>					
Loan Principal	185,000	-	190,000	190,000	195,000
Loan Interest	155,697	75,129	151,496	150,260	145,507
Paying Agent Fees	2,000	2,000	2,000	2,000	2,000
Treasurer's Fees	4,768	5,460	5,456	5,460	5,460
<b>Total Expenditures</b>	<b>347,465</b>	<b>82,588</b>	<b>348,952</b>	<b>347,720</b>	<b>347,967</b>
<b>Transfers and Other Uses (Sources)</b>					
<b>Total Expenditures Requiring Appropriation</b>	<b>347,465</b>	<b>82,588</b>	<b>348,952</b>	<b>347,720</b>	<b>347,967</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 41,369</b>	<b>\$ 345,979</b>	<b>\$ 73,256</b>	<b>\$ 82,395</b>	<b>\$ 122,285</b>

RESOLUTION NO. 2018 - 12 - \_\_\_\_

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT  
TO ADOPT THE 2019 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Piney Creek Village Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2019 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2018, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 5, 2018, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Piney Creek Village Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Piney Creek Village Metropolitan District for the 2019 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.



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

ADOPTED this 5<sup>th</sup> day of December, 2018.

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Secretary

(SEAL)

EXHIBIT A  
(Budget)

I, David Solin, hereby certify that I am the duly appointed Secretary of the Piney Creek Village Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2019, duly adopted at a meeting of the Board of Directors of the Piney Creek Village Metropolitan District held on December 5, 2018.

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

RESOLUTION NO. 2018 - 12 - \_\_\_\_

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT  
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Piney Creek Village Metropolitan District (“District”) has adopted the 2019 annual budget in accordance with the Local Government Budget Law on December 5, 2018; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2019 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Piney Creek Village Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2019 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2019 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

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

ADOPTED this 5<sup>th</sup> day of December, 2018.

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Secretary

(SEAL)

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



Special District  
Management  
Services, Inc.

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

## MEMORANDUM

TO: Board of Directors

FROM: Deborah D. McCoy  
President

DATE: September 1, 2018

RE: Notice of 2019 Rate Increase

In accordance with the Management Agreement ("Agreement") between the District and Special District Management Services, Inc. ("SDMS"), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management services shall increase. Our current rates are \$137.00 per hour for management, administration and accounting, field services are \$70 per hour and utility billing is \$65.00 per hour. The new rates will be \$140.00/hr. for management administration and accounting. Field services and utility locates will be \$75.00/hr. At this time, no change will be made to the utility billing rate of \$65.00 per hour.

We hope you will understand that it is necessary to increase our rates so that we may continue to provide the best and most efficient management services you expect from SDMS.



November 1, 2018

Ladies and Gentlemen:

In accordance with the Firm's fee engagement letter, this letter is to advise you of the Firm's decision to set our hourly rates, effective January 1, 2019, as follows:

Attorneys

MaryAnn McGeady	\$475.00
Mary Jo Dougherty	\$475.00
Megan Becher	\$475.00
Paula Williams	\$400.00
Elisabeth Cortese	\$400.00
Jon Hoistad	\$295.00
Emily Murphy	\$295.00
Suzanne Meintzer	\$295.00
Samantha Lillehoff	\$250.00
Sarah McGrath	\$250.00
Jennifer Rogers	\$250.00

Paralegals

Susan Askew	\$200.00
Dawn Fredette	\$200.00
Jennifer Henry	\$200.00
Jenny Pino	\$200.00
Craig Sorensen	\$200.00

We appreciate your continued trust and confidence in our firm and look forward to representing your interests in 2019 and beyond.

Very truly yours,

McGEADY BECHER P.C.

Cheryl L. Matlosz  
Firm Administrator