

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
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NOTICE OF SPECIAL MEETING AND AGENDA

| <u>Board of Directors:</u> | <u>Office:</u> | <u>Term/Expires:</u> |
|----------------------------|-------------------------------|----------------------|
| Billy Joe "B.J." Penrod | President | 2022/May 2022 |
| Daniel Kumsok Oh | Treasurer/Assistant Secretary | 2022/May 2020 |
| <i>VACANT</i> | | 2020/May 2020 |
| <i>VACANT</i> | | 2020/May 2020 |
| <i>VACANT</i> | | 2020/May 2020 |
| David Solin | Secretary | 2020/May 2020 |

DATE: *December 5, 2019 (Thursday)*
TIME: 9:00 A.M.
PLACE: Offices of Daniel Kumsok Oh
8101 E. Belleview Avenue, Suite F
Denver, Colorado

I. ADMINISTRATIVE MATTERS

- A. Approve Agenda, confirm location of the meeting and posting of meeting notices.

- B. Review and approve Minutes of the June 19, 2019 Regular Meeting (enclosure).

- C. Discuss new legislation regarding posting meeting notices and establishment of a website (enclosure).

- D. Discuss business to be conducted in 2020 and consider adoption of Resolution of the Board of Directors of Piney Creek Village Metropolitan District Establishing Regular Meeting Dates, Time and Location, Establishing District Website and Designating Location for posting 24-Hour Notices (enclosure).

- E. Consider approval of Eligible Governmental Entity Agreement ("EGE") between the Statewide Internet Portal Authority of the State of Colorado ("SIPA") and the District (enclosure).

- F. Discuss §32-1-809, C.R.S. Transparency Notice reporting requirements and mode of eligible elector notification.
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- G. Discuss update on McGeady Becher P.C. District records retention.
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II. FINANCIAL MATTERS

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

| Fund | Period ending June 14, 2019 | Period ending July 16, 2019 | Period ending Aug. 22, 2019 | Period ending Sept. 16 2019 |
|---------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| General | \$ 1,165.60 | \$ 6,604.70 | \$ 2,366.85 | \$ 730.84 |
| Debt Service | \$ 2,500.00 | \$ -0- | \$ -0- | \$ -0- |
| Total Claims | \$ 3,665.60 | \$ 6,604.70 | \$ 2,366.85 | \$ 730.84 |

| Fund | Period ending Oct. 21, 2019 | Period ending Nov. 18, 2019 |
|---------------------|--------------------------------|--------------------------------|
| General | \$ 2,034.95 | \$ 1,411.850 |
| Debt Service | \$ -0- | \$ -0- |
| Total Claims | \$ 2,034.95 | \$ 1,411.85 |

- B. Review and accept unaudited financial statements for the period ending September 30, 2019 (enclosure).
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- C. Consider engagement of Simmons & Wheeler, P.C. to perform the 2019 Audit for an amount not-to-exceed \$4,000 (enclosure).
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- D. Conduct Public Hearing to consider Amendment to 2019 Budget and (if necessary) adopt Resolution to Amend the 2019 Budget and Appropriate Expenditures.
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- E. Conduct Public Hearing on the proposed 2020 Budget and consider adoption of Resolutions to Adopt the 2020 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 2019 Budget, and Resolutions).
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- F. 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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- G. Consider appointment of District Accountant to prepare the 2021 Budget and set date for public hearing to adopt the 2021 Budget (_____, 2020).
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III. LEGAL MATTERS

- A. Consider adoption of Resolution No. 2019-11-__ ; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the Designated Election Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of mail ballot election (enclosure). Self-Nomination forms are due by February 28, 2020. Discuss the need for ballot issues and/or questions.
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IV. OTHER MATTERS

- A. _____
-

- V. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2019.**

Informational Enclosure:

- SDMS, Inc.- Rate Restructuring Memorandum, Effective August 1, 2019

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT HELD JUNE 19, 2019

A Regular 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 19th day of June, 2019, at 9:00 a.m., at the offices of Daniel Kumsok Oh, 8101 E. Belleview Avenue, Suite F, Denver, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Billy Joe "B.J." Penrod
Daniel Kumsok Oh

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

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

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin reviewed with the Board a proposed Agenda for the District's Regular Meeting.

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

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, 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 the District 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 of the meeting was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxing electors within the District boundaries.

RECORD OF PROCEEDINGS

Designation of 24-Hour Posting Location: The Board entered into discussion regarding the requirements of §24-6-402(2)(c), C.R.S., concerning the 24-hour posting location of the District.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh, and upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to §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: Southeast corner of Parker Road and East Lake.

Minutes: The Board reviewed the Minutes of the December 5, 2018 Special Meeting.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh, and upon vote, unanimously carried, the Minutes of the December 5, 2018 Special Meeting were approved, as presented.

Board Vacancies: Discussion ensued regarding vacancies on the Board. It was noted that no residents are interested in serving on the Board at this time.

FINANCIAL MATTERS

2018 Audit: Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board approved the audited financial statements for the year ended December 31, 2018 and authorized execution of the Representations Letter.

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

| Fund | Period ending Dec. 12, 2018 | Period ending Jan. 15, 2019 | Period ending Feb. 15, 2019 | Period ending March 12, 2019 |
|---------------------|--------------------------------|--------------------------------|--------------------------------|---------------------------------|
| General | \$ 8,183.50 | \$ 1,572.95 | \$ 2,622.69 | \$ 2,267.35 |
| Debt Service | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| Total Claims | \$ 8,183.50 | \$ 1,572.95 | \$ 2,622.69 | \$ 2,267.35 |

| Fund | Period ending April 12, 2019 | Period ending May 20, 2019 |
|---------------------|---------------------------------|-------------------------------|
| General | \$ 1,448.20 | \$ 520.94 |
| Debt Service | \$ -0- | \$ -0- |
| Total Claims | \$ 1,448.20 | \$ 520.94 |

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.

RECORD OF PROCEEDINGS

Financial Statements: Mr. Solin 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 April 30, 2019.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh, and upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending April 30, 2019, as presented.

2020 Budget Preparation: The Board entered into discussion regarding appointing the District Accountant to prepare the 2020 Budget and setting the date for a Public Hearing to adopt the 2020 Budget.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2020 Budget and set the date for the Public Hearing to adopt the 2020 Budget as November 13, 2019 at 9:00 a.m., to be held at the offices of Daniel Kumsok Oh; 8101 E. Belleview, Suite F, Denver, Colorado.

LEGAL MATTERS

New Legislation regarding Posting Meeting Notices and Establishment of a Website: Attorney Williams discussed with the Board legislative changes to public meeting notice requirements. The Board directed Mr. Solin to obtain a proposal to create a District website through SIPA.

OTHER MATTERS

2019 SDA Conference: The Board entered into discussion regarding authorizing interested members of the Board to attend the 2019 SDA Conference in Keystone on September 18, 19 & 20, 2019.

Following discussion, upon motion duly made by Director Penrod, seconded by Director Oh and, upon vote, unanimously carried, the Board authorized Director Oh, including a guest, to attend the 2019 SDA Conference in Keystone on September 18, 19 & 20, 2019.

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



MEMORANDUM

To: Special District Board of Directors
From: McGeady Becher
Date: August 30, 2019
Re: Legislative Changes to Public Meeting Notice Requirements

Introduction

The Colorado legislature recently passed House Bill 19-1087 (“HB 19-1087”) which changes public meeting notice requirements of local public bodies, including counties, municipalities and special districts. The intent of the legislation is for local governments to transition from posting notices of public meetings in physical locations to posting notices online at the local government’s website, social media account or other official online presence of the local government.

Historically, under Colorado’s Open Meetings Law, a local government has been required to post notices of public meetings at a designated public place within the boundaries of the local government. In addition, Title 32 has required special districts to post notices of regular and special meetings at three designated public places within the boundaries of the district and at the office of the local county clerk and recorder. Title 32 has also required that the notices for special board meetings be posted at least 72 hours prior to the meeting.

New Public Meeting Notice Requirements pursuant to HB 19-1087

With the passage of HB 19-1087, effective as of August 2, 2019, special districts may satisfy the public notice requirements of the Open Meetings Law and Title 32 by posting notices of regular and special meetings, with specific agenda information if available, on a public website of the special district at least 24 hours in advance of the meeting. If a district is unable to post a notice on a public website (for example, if a district is in the process of establishing its website), the district shall continue to post its meeting notices in a physical location within the boundaries of the district. Posting in one physical location within the district will satisfy the public notice requirements; districts no longer have to post in three locations. In addition, districts no longer have to post special board meeting notices 72 hours in advance; posting

notices at least 24 hours prior to the meeting is sufficient. Also, districts will no longer have to post notices at the county clerk and recorder's office.

The online notices must be posted on a public website of the local government. The notices must be accessible to the public at no charge. To the extent feasible, the local government shall make the notices searchable by type of meeting, date of meeting, time of meeting and agenda contents, and shall consider linking the notices to any appropriate social media accounts of the local government.

Establishing a District Website

The legislature recognizes that a number of factors may affect a local government's ability to easily establish a website and post meeting notices online, including the availability of reliable broadband, the lack of cellular telephone and other data services, and fiscal or staffing constraints of local governments. Accordingly, the legislature encourages local governments to avail themselves of existing public resources for creating a website and receiving content management assistance from the Colorado Statewide Internet Portal Authority ("SIPA") or other statewide associations representing local government entities. The SIPA website is at www.colorado.gov/sipa.

A question has arisen as to whether posting public meeting notices on the website of a district management company will satisfy the public notice requirement. Posting meeting notices on the website of a district management company will most likely not satisfy the posting requirements of Colorado's Open Meetings Law, as amended by HB 19-1087. The legislation specifies that a local public body will be deemed to have given full and timely notice when the meeting notice is posted *on a public website of the local public body* (emphasis added). This language is repeated several times throughout the bill. When read in concert with the provision of HB 19-1087 encouraging local governments to avail themselves of free public resources such as SIPA when creating their websites, it is reasonable to conclude that the legislature intends a local government to post meeting notices on its own public website in order to satisfy public notice requirements.

Designate a Physical Posting Location as a Back-Up

A local government, at its discretion, may post a physical notice within its boundaries in addition to posting the online notice but is not required to do so. In the event that the local government is unable to post the notice online due to exigent or emergency circumstances such as a power outage or an interruption in internet service that would prevent the public from accessing the notice online, it must designate a public place within its boundaries at which it may post a physical notice at least 24 hours before a meeting.

Recommended Action

The legislature will be closely monitoring the transition to providing notices of public meetings online over the next two years and, if significant progress is not made, it will enact

legislation mandating the online posting, except in very narrow circumstances that are beyond the control of a local government.

In light of the passage of HB 19-1087, which will be codified as Section 24-6-402(2)(c)(I)-(IV), C.R.S. and will amend Section 32-1-903(2), C.R.S., we recommend our special district clients do the following:

1. Establish a district website if such website does not already exist.

a. Should a district need assistance in creating its website or receiving content management assistance, it is encouraged to avail itself of existing public resources such as SIPA at www.colorado.gov/sipa.

2. Beginning August 2, 2019, post regular and special meeting notices and the meeting agenda on the district website at least 24 hours prior to the meeting.

a. To the extent feasible, the notices shall be searchable by type of meeting, date of meeting, time of meeting and agenda contents and shall be linked to any appropriate social media accounts of the district;

b. Although HB 19-1087 requires posting of specific agenda information *if available* (emphasis added), our special district clients should continue to post the meeting agenda 24 hours prior to meetings because of conflicts requirements.

c. Note: the requirement to file conflict disclosures with the Secretary of State at least 72 hours prior to a regular and special meeting pursuant to Section 32-1-902(3)(b) is not affected by HB 19-1087 and remains the same.

3. Designate a physical posting location within the district's boundaries, should the district be unable to post the meeting notice online at least 24 hours prior to the meeting because the district has not yet established the district website or due to exigent or emergency circumstances.

4. Provide the address of the district's website to the Colorado Department of Local Affairs.

5. Approve a resolution to establish a district website and designate location for 24-hour posting.

Please contact McGeady Becher P.C. with any questions related to HB 19-1087 or this Memorandum.

RESOLUTION NO. 2019-12-____

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION,
ESTABLISHING DISTRICT WEBSITE AND
DESIGNATING LOCATION FOR POSTING OF 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)(I), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings ("**Notice of Meeting**") will be physically posted at least 24 hours prior to each meeting ("**Designated Public Place**"). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

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

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

E. 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.

F. 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 (the "**District**"), Broomfield County, 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 of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2020 shall be held on _____ at _____, at the Offices of Daniel Kumsok Oh, 8101 E. Belleview Avenue, Suite 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. That the District Board authorizes establishment of a District Website, if such District Website does not already exist, in order to provide full and timely notice of regular and special meetings of the District Board online pursuant to the provisions of Section 24-6-402(2)(c)(III), C.R.S.

8. That, if the District has established a District Website, the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to each regular and special meeting pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

9. That, if the District has not yet established a District Website or is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

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

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

[SIGNATURE PAGE FOLLOWS]

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

RESOLUTION APPROVED AND ADOPTED on December 5, 2019.

**PINEY CREEK VILLAGE
METROPOLITAN DISTRICT NO. 2**

By: _____
President

Attest:

Secretary



**ELIGIBLE GOVERNMENTAL ENTITY AGREEMENT BETWEEN
THE STATEWIDE INTERNET PORTAL AUTHORITY OF THE STATE OF
COLORADO AND PINEY CREEK VILLAGE METROPOLITAN DISTRICT**

This Eligible Governmental Entity Agreement ("Agreement") by and between the Colorado Statewide Internet Portal Authority ("SIPA"), and Piney Creek Village Metropolitan District ("EGE") (each a "Party" and collectively "Parties"), is made and entered into on this _____ day of _____, 2019.

RECITALS

WHEREAS, SIPA and EGE wish to enter into a cooperative agreement under which services can be provided at the discretion of both Parties; and

WHEREAS, pursuant to § 24-37.7-105 C.R.S., SIPA operates to provide electronic access for members of the public, state agencies, and local governments to electronic information, products, and services; and

WHEREAS, pursuant to §§ 24-37.7-102 and 24-37.7-104, C.R.S., SIPA operates as a political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 24-37.7-104, SIPA is authorized to enter into agreements and contracts with state agencies and local governments, and all state agencies and local governments are authorized to enter into and do all things necessary to perform any such arrangements or contracts; and

WHEREAS, § 29-1-203, C.R.S., authorizes local governments to cooperate or contract with each other to provide any function or service lawfully authorized to each other; and

WHEREAS, SIPA provides for the dissemination, sharing, and use of information, products, and services via the internet; and

WHEREAS, neither Party is committing funds or required to perform services as part of this agreement; and

WHEREAS, SIPA has entered into certain contracts with its contractors to operate the Colorado.gov Portal and to provide an array of electronic information, products, and services via the internet (e.g., "Colorado Statewide Internet Portal Authority Portal Integrator Contract with Colorado Interactive, LLC", as may be amended (hereinafter "Master Contract") and "COPE

Master Contract With Implementation Contractor to Support SaaS Collaboration, Office Productivity, & Email Solution" (hereinafter "COPE Contract") and other contracts to expand its array of electronic information, products, and services available to EGE; and

WHEREAS, SIPA will provide applications and services to EGE pursuant to Task Orders, Statements of Work, Work Orders; or any agreed-upon documentation under this Agreement; and

WHEREAS, a Task Order, Statement of Work, Work Order, or other agreed-upon documentation will be prepared for each application or service and mutually signed by SIPA and EGE;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, SIPA and EGE agree as follows:

1. EGE shall make available to SIPA electronic information maintained and owned by EGE as is necessary to complete the agreed-upon work as set forth in a Work Order, Task Order, Statement of Work, or any agreed-upon documentation under this Agreement. As mutually agreed upon in subsequent Work Orders, Task Orders, Statements of Work, or any other agreed-upon documentation under this Agreement, EGE will provide reasonable levels of support in placing online with SIPA certain EGE-owned electronic information, as mutually agreed by EGE and SIPA, with due regard to the workload and priorities of EGE and SIPA.
2. SIPA may, with the authorization of EGE, through the Portal, make public electronic information made available to it available to the general public, including EGE's public electronic information. The Parties agree to use their best efforts to provide adequate and uninterrupted service under the terms of this Agreement. However, neither Party shall be liable for interruption of service when the same shall be due to circumstances beyond the reasonable control of either Party, its agents or employees, including but not limited to unanticipated equipment malfunction, periodic maintenance or update of the computer systems upon which such EGE electronic information reside, or interruption of service due to problems with the Colorado statewide area network or due to problems with any telecommunications provider.
3. SIPA and EGE may enter into Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation under this Agreement. Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation under this Agreement shall describe specific Services and/or Applications to be provided to EGE. EGE acknowledges that Services and/or Applications are usually offered by SIPA's contractors. Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation shall cover the purchase of goods and services from SIPA through the use of EGE funds. All Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation involving EGE funds may be approved by the EGE official with authority to execute such agreement. Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation shall contain specific time or performance milestones for SIPA's contractor(s), timelines for completion of relevant Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation, including design specifications and other criteria relevant to the completion of applicable Task Orders, Purchase Orders, Statements of Work, or any

agreed-upon documentation, criteria and procedures for acceptance by EGE and remedying incomplete or inaccurate work for each phase of relevant Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation.

4. SIPA shall be responsible for the operation of, and all costs and expenses associated with, establishing and maintaining electronic access to EGE electronic information, databases or other software applications, including (but without limitation) the cost of purchasing, developing, and maintaining programs used to interface with EGE software applications that provide access to EGE-owned electronic information, products, and services. EGE acknowledges SIPA may at its discretion use Contractors to perform certain obligations. EGE's maximum financial obligation for establishing and maintaining electronic access to EGE databases or other software applications shall be limited to the amount(s) set forth and appropriated pursuant to each individual Work Order, Task Order, Statement of Work, or any agreed-upon documentation under this Agreement.
5. Each Party shall have the right to terminate this Agreement by giving the other Party 10 days' written notice. Unless otherwise specified in such notice, this Agreement will terminate at the end of such 10-day period, and the liabilities of the Parties hereunder for further performance of the terms of this Agreement shall thereupon cease, but the Parties shall not be released from any duty to perform up to the date of termination. Work authorized under an individual Work Order, Task Order, Statement of Work or any other agreed-upon documentation under this Agreement, will be subject to the terms and conditions of that document.
6. None of the terms or conditions of this Agreement gives or allows any claim, benefit, or right of action by any third person not a party hereto. Nothing in this Agreement shall be deemed as any waiver of immunity or liability limits granted to SIPA or EGE by the Colorado Governmental Immunity Act or any similar statutory provision.
7. This Agreement (and related Task Orders, Work Orders, Statements of Work, and agreed-upon documentation) constitutes the entire agreement of the parties hereto and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended, modified, or changed, in whole or part, only by written agreement approved by each party.
8. Neither SIPA nor its contractors have responsibility for the accuracy or completeness of the electronic information contained within EGE's databases. SIPA and its contractors shall be responsible only for the accurate and complete transmission of electronic information to and from such EGE databases, in accordance with the specifications of any EGE-owned software. For the purposes of the Colorado Open Records Act, EGE shall at all times be the custodian of records. Neither SIPA nor its contractors shall be deemed to be either the custodian of records or the custodian's agent.
9. This Agreement and any written amendments thereto may be executed in counterpart, each of which shall constitute an original and together, which shall constitute one and the same agreement. Delivery of an executed signature page of this Agreement by facsimile or email

transmission will constitute effective and binding execution and delivery of this Agreement.

10. Confidential information for the purpose of this Agreement is information relating to SIPA's or EGE's research, development, trade secrets, business affairs, internal operations, management procedures, and information not disclosable to the public under the Colorado Open Records Act or some other law or privilege. Confidential information does not include information lawfully obtained through third parties, which is in the public domain, or which is developed independently without reference to a Party's confidential information. Neither Party shall use or disclose, directly or indirectly, without prior written authorization, any confidential information of the other. SIPA shall use its reasonable best efforts to ensure that its contractors protect EGE confidential information from unauthorized disclosure. Notwithstanding anything to the contrary herein, each Party acknowledges that given the subject matter of this Agreement, such Party shall not disclose confidential information of the other (whether in written or electronic form) to any third party, except as required by law or as necessary to carry out the specific purpose of this Agreement; provided, however, that if such disclosure is necessary, any third party who receives such confidential information shall also be bound by the nondisclosure provisions of this Section 10. Upon termination of this Agreement, the Parties shall return or destroy (at the other Party's request) all confidential information of the other and if such information is destroyed, each Party shall demonstrate evidence of such destruction to the other.

11. Miscellaneous Provisions

A. Independent Authority. SIPA shall perform its duties hereunder as an independent authority and not as an employee of EGE. Neither SIPA nor any agent or employee of SIPA shall be deemed to be an agent or employee of EGE. SIPA and its agents shall pay when due all required employment taxes and income tax and local head tax on any monies paid by EGE pursuant to this Agreement. SIPA acknowledges that SIPA and its employees or agents are not entitled to EGE employment or unemployment benefits unless SIPA or a third party provides such benefits and that EGE does not pay for or otherwise provide such benefits. SIPA shall have no authorization, express or implied, to bind EGE to any agreements, liability, or understanding except as expressly authorized by EGE. SIPA and its agents shall provide and keep in force workers' compensation (and provide proof of such insurance when requested by EGE) and unemployment compensation insurance in the Agreement required by law, and shall be solely responsible for the acts of SIPA, its employees and agents.

B. Non-discrimination. SIPA agrees to comply with the letter and the spirit of all applicable state and federal laws respecting illegal discrimination and unfair employment practices.

C. Choice of Law. The laws of the State of Colorado (except Colorado laws related to choice of law or conflict of law) and rules and regulations issued pursuant thereto shall be applied in the interpretation, execution, and enforcement of this Agreement. At all times during the performance of this Agreement, SIPA shall strictly adhere to all applicable

federal and state laws, rules, and regulations that have been or may hereafter be established. Any legal action related to this Agreement shall be brought in either a state or federal court within the City and County of Denver, Colorado.

D. Software Piracy Prohibition. No State or other public funds payable under this Agreement shall knowingly be used for the acquisition, operation, or maintenance of computer software in violation of United States copyright laws or applicable licensing restrictions. SIPA hereby certifies that, for the term of this Agreement and any extensions, SIPA has in place appropriate systems and controls to prevent such improper use of public funds. If EGE determines that SIPA is in violation of this paragraph, EGE may exercise any remedy available at law or equity or under this Agreement, including, without limitation, immediate termination of the Agreement and any remedy consistent with United States copyright laws or applicable licensing restrictions.

F. Notices. All notices required or permitted under this Agreement shall be in writing and delivered personally, by facsimile, by email or by first class certified mail, return receipt. If delivered personally, notice shall be deemed given when actually received. If delivered by facsimile or email, notice shall be deemed given upon full transmission of such notice and confirmation of receipt during regular business hours. If delivered by mail, notice shall be deemed given at the date and time indicated on the return receipt. Notices shall be delivered to:

If to SIPA:

Statewide Internet Portal Authority

Attn: EGE Administrator

Street Address: 1300 Broadway, Suite 440

City, State, Zip: Denver, CO 80203

Phone: (720) 409-5634

Fax: (720) 409-5642

Email: sipa@cosipa.gov

If to EGE: Piney Creek Village Metropolitan District

c/o Special District Management Services, Inc.

Attn: David Solin

Street Address: 141 Union Boulevard, Suite 150

City, State, Zip: Lakewood, Colorado 80228

Phone: 303-987-0835

Fax: 303-987-2032

Email: dsolin@sdmsi.com

And/or

McGeady Becher P.C.

Attn: Paula Williams, Esq.

Street Address: 450 East 17th Avenue, Suite 400

City, State, Zip: Denver, Colorado 80203

Phone: 303-592-4380

Fax: 303-592-4385

Email: pwilliams@specialdistrictlaw.com

And to other address or addresses as the parties may designate in writing.

G: Third Party Beneficiary: EGE shall enjoy those rights of a third party as may be set forth expressly in any contract between SIPA and its contractors under which SIPA provides electronic information, products, and services to EGE, including the Master Contract Section 20.M., as may be amended.

H. Disputes. Any failure of either Party to perform in accordance with the terms of this Agreement shall constitute a breach of the Agreement. Any dispute concerning the performance of this Agreement which cannot be resolved at the operational level shall be referred to superior management and staff designated by each Party. Failing resolution at this level, EGE may ask the SIPA Board of Directors to address the dispute. If the dispute is not resolved after reference to the SIPA Board of Directors, the Parties may use whatever procedures may be available, including but not limited to termination of the Agreement.

This Agreement is entered into as of the day and year set forth above.

_____ Date: _____

Name:

Title:

Entity: Statewide Internet Portal Authority

_____ Date: _____

Name: Billy Joe "BJ" Penrod

Title: President

Entity: Piney Creek Village Metropolitan District

Address: 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228

Phone: 303-987-0835

Email: dsolin@sdmsi.com -- bj@bjsautotheftright.com

| Check No and Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|-------------------|---------------------------------|------------|-----------------------|---------|----------|----------|
| 1943 | | | | | | |
| 06/14/2019 | McGeady Becher P.C. | 607M 4/19 | Legal | 1-675 | 87.50 | 87.50 |
| Total 1943: | | | | | | 87.50 |
| 1944 | | | | | | |
| 06/14/2019 | Special Dist Mgmt Services, Inc | MAY 2019 | District Management | 1-614 | 238.00 | 238.00 |
| 06/14/2019 | Special Dist Mgmt Services, Inc | MAY 2019 | District Management | 1-614 | 812.00 | 812.00 |
| 06/14/2019 | Special Dist Mgmt Services, Inc | MAY 2019 | Miscellaneous Expense | 1-690 | 28.10 | 28.10 |
| Total 1944: | | | | | | 1,078.10 |
| 1945 | | | | | | |
| 06/14/2019 | US Bank | 5374066 | Paying Agent Fees | 2-668 | 2,500.00 | 2,500.00 |
| Total 1945: | | | | | | 2,500.00 |
| Grand Totals: | | | | | | 3,665.60 |

Piney Creek Village Metropolitan District
June-19

| | General | Enterprise | Debt | Totals |
|---|-------------------|---------------|-------------------|-------------------|
| Disbursements | \$ 1,165.60 | | \$ 2,500.00 | \$ 3,665.60 |
| Payroll | \$ - | | | \$ - |
| Payroll Taxes | - | \$ - | - | \$ - |
| Total Disbursements from Checking Acct | \$1,165.60 | \$0.00 | \$2,500.00 | \$3,665.60 |

| Check No and Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|-------------------|---------------------------------|------------|-----------------------|---------|----------|----------|
| 1946 | | | | | | |
| 07/16/2019 | McGeady Becher P.C. | 607M 5/19 | Legal | 1-675 | 1,020.00 | 1,020.00 |
| Total 1946: | | | | | | 1,020.00 |
| 1947 | | | | | | |
| 07/16/2019 | Simmons & Wheeler, PC | 24602 | Audit | 1-615 | 3,900.00 | 3,900.00 |
| Total 1947: | | | | | | 3,900.00 |
| 1948 | | | | | | |
| 07/16/2019 | Special Dist Mgmt Services, Inc | JUNE 2019 | District Management | 1-614 | 1,192.00 | 1,192.00 |
| 07/16/2019 | Special Dist Mgmt Services, Inc | JUNE 2019 | Accounting | 1-612 | 336.00 | 336.00 |
| 07/16/2019 | Special Dist Mgmt Services, Inc | JUNE 2019 | Miscellaneous Expense | 1-690 | 156.97 | 156.97 |
| Total 1948: | | | | | | 1,684.97 |
| Grand Totals: | | | | | | 6,604.97 |

Piney Creek Village Metropolitan District
July-19

| | General | Enterprise | Debt | Totals |
|---|-------------------|---------------|---------------|-------------------|
| Disbursements | \$ 6,604.70 | | \$ - | \$ 6,604.70 |
| Payroll | \$ - | | | \$ - |
| Payroll Taxes | - | \$ - | - | \$ - |
| Total Disbursements from Checking Acct | \$6,604.70 | \$0.00 | \$0.00 | \$6,604.70 |

| Check No and Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|-------------------|---------------------------------|------------|-----------------------|---------|----------|----------|
| 1949 | | | | | | |
| 08/22/2019 | McGeady Becher P.C. | 607M 6/19 | Legal | 1-675 | 1,330.50 | 1,330.50 |
| Total 1949: | | | | | | 1,330.50 |
| 1950 | | | | | | |
| 08/22/2019 | Special Dist Mgmt Services, Inc | JULY 2019 | District Management | 1-614 | 56.00 | 56.00 |
| 08/22/2019 | Special Dist Mgmt Services, Inc | JULY 2019 | Accounting | 1-612 | 308.00 | 308.00 |
| 08/22/2019 | Special Dist Mgmt Services, Inc | JULY 2019 | Audit | 1-615 | 28.00 | 28.00 |
| 08/22/2019 | Special Dist Mgmt Services, Inc | JULY 2019 | Miscellaneous Expense | 1-690 | 14.35 | 14.35 |
| Total 1950: | | | | | | 406.35 |
| 1951 | | | | | | |
| 08/22/2019 | Special District Association | CONF 2019 | Miscellaneous Expense | 1-690 | 630.00 | 630.00 |
| Total 1951: | | | | | | 630.00 |
| Grand Totals: | | | | | | 2,366.85 |

Piney Creek Village Metropolitan District
August-19

| | General | Enterprise | Debt | Totals |
|---|-------------------|---------------|---------------|-------------------|
| Disbursements | \$ 2,366.85 | | \$ - | \$ 2,366.85 |
| Payroll | \$ - | | | \$ - |
| Payroll Taxes | - | \$ - | - | \$ - |
| Total Disbursements from Checking Acct | \$2,366.85 | \$0.00 | \$0.00 | \$2,366.85 |

| Check No and Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|-------------------|---------------------------------|-------------|-----------------------|---------|---------|---------|
| 1952 | | | | | | |
| 09/16/2019 | McGeady Becher P.C. | AUGUST 2019 | Legal | 1-675 | 20.00 | 20.00 |
| Total 1952: | | | | | | 20.00 |
| 1953 | | | | | | |
| 09/16/2019 | Special Dist Mgmt Services, Inc | AUGUST 2019 | Miscellaneous Expense | 1-690 | 458.84 | 458.84 |
| 09/16/2019 | Special Dist Mgmt Services, Inc | AUGUST 2019 | District Management | 1-614 | 252.00 | 252.00 |
| Total 1953: | | | | | | 710.84 |
| 20120102 | | | | | | |
| 09/16/2019 | McGeady Becher P.C. | AUGUST 2019 | Legal | 1-675 | 20.00 | 20.00 |
| 09/16/2019 | McGeady Becher P.C. | AUGUST 2019 | Legal | 1-675 | 20.00- | 20.00- |
| Total 20120102: | | | | | | .00 |
| 20120103 | | | | | | |
| 09/16/2019 | Special Dist Mgmt Services, Inc | AUGUST 2019 | Miscellaneous Expense | 1-690 | 458.84 | 458.84 |
| 09/16/2019 | Special Dist Mgmt Services, Inc | AUGUST 2019 | Miscellaneous Expense | 1-690 | 458.84- | 458.84- |
| 09/16/2019 | Special Dist Mgmt Services, Inc | AUGUST 2019 | District Management | 1-614 | 252.00 | 252.00 |
| 09/16/2019 | Special Dist Mgmt Services, Inc | AUGUST 2019 | District Management | 1-614 | 252.00- | 252.00- |
| Total 20120103: | | | | | | .00 |
| Grand Totals: | | | | | | 730.84 |

Piney Creek Village Metropolitan District
September-19

| | General | Enterprise | Debt | Totals |
|---|-----------------|---------------|---------------|-----------------|
| Disbursements | \$ 730.84 | | \$ - | \$ 730.84 |
| Payroll | \$ - | | | \$ - |
| Payroll Taxes | - | \$ - | - | \$ - |
| Total Disbursements from Checking Acct | \$730.84 | \$0.00 | \$0.00 | \$730.84 |

| Check No and Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|-------------------|---------------------------------|-----------------|-----------------------|---------|----------|----------|
| 1954 | | | | | | |
| 10/21/2019 | McGeady Becher P.C. | 607M 9/19 | Legal | 1-675 | 20.00 | 20.00 |
| Total 1954: | | | | | | 20.00 |
| 1955 | | | | | | |
| 10/21/2019 | Oh, Daniel | SDA 2019 | Miscellaneous Expense | 1-690 | 674.80 | 674.80 |
| Total 1955: | | | | | | 674.80 |
| 1956 | | | | | | |
| 10/21/2019 | RLI Surety | LSM0936296 9/19 | Insurance and Bonds | 1-670 | 250.00 | 250.00 |
| Total 1956: | | | | | | 250.00 |
| 1957 | | | | | | |
| 10/21/2019 | Special Dist Mgmt Services, Inc | SEPTEMBER 2019 | Accounting | 1-612 | 1,078.00 | 1,078.00 |
| 10/21/2019 | Special Dist Mgmt Services, Inc | SEPTEMBER 2019 | Miscellaneous Expense | 1-690 | 12.15 | 12.15 |
| Total 1957: | | | | | | 1,090.15 |
| Grand Totals: | | | | | | 2,034.95 |

Piney Creek Village Metropolitan District
October-19

| | General | Enterprise | Debt | Totals |
|---|-------------------|---------------|---------------|-------------------|
| Disbursements | \$ 2,034.95 | | \$ - | \$ 2,034.95 |
| Payroll | \$ - | | | \$ - |
| Payroll Taxes | - | \$ - | - | \$ - |
| Total Disbursements from Checking Acct | \$2,034.95 | \$0.00 | \$0.00 | \$2,034.95 |

| Check No and Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|-------------------|---------------------------------|------------------|-----------------------|---------|--------|----------|
| 1958 | | | | | | |
| 11/18/2019 | Colorado Special Districts P&L | POL-0000232 6000 | Prepaid Insurance | 1-142 | 400.00 | 400.00 |
| Total 1958: | | | | | | 400.00 |
| 1959 | | | | | | |
| 11/18/2019 | McGeady Becher P.C. | 607M 10/19 | Legal | 1-675 | 262.50 | 262.50 |
| Total 1959: | | | | | | 262.50 |
| 1960 | | | | | | |
| 11/18/2019 | Special Dist Mgmt Services, Inc | OCTOBER 2019 | Accounting | 1-612 | 532.00 | 532.00 |
| 11/18/2019 | Special Dist Mgmt Services, Inc | OCTOBER 2019 | District Management | 1-614 | 210.00 | 210.00 |
| 11/18/2019 | Special Dist Mgmt Services, Inc | OCTOBER 2019 | Miscellaneous Expense | 1-690 | 7.35 | 7.35 |
| Total 1960: | | | | | | 749.35 |
| Grand Totals: | | | | | | 1,411.85 |

**Piney Creek Village Metropolitan District
November-19**

| | <u>General</u> | <u>Enterprise</u> | <u>Debt</u> | <u>Totals</u> |
|---|--------------------|-------------------|---------------|--------------------|
| Disbursements | \$ 1,411.85 | | \$ - | \$ 1,411.85 |
| Payroll | \$ - | | | \$ - |
| Payroll Taxes | - | \$ - | - | \$ - |
| Total Disbursements from Checking Acct | \$1,411.85 | \$0.00 | \$0.00 | \$1,411.85 |

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Schedule of Cash Position

September 30, 2019

| | <u>Rate</u> | <u>Operating</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Total</u> |
|--------------------------|-------------|------------------|---------------------|-------------------------|-------------------|
| Checking: | | | | | |
| Cash in Bank - FirstBank | | \$ 2,298 | \$ (1,015) | \$ - | \$ 1,284 |
| Investments: | | | | | |
| Cash in Bank-ColoTrust | 2.19% | 47,966 | 391,645 | - | 439,611 |
| TOTAL FUNDS: | | <u>\$ 50,264</u> | <u>\$ 390,630</u> | <u>\$ -</u> | <u>\$ 440,894</u> |

2019 Mill Levy Information

| | |
|---------------------------------------|---------------|
| Certified General Fund Mill Levy | 3.313 |
| Certified Debt Service Fund Mill Levy | <u>37.550</u> |
| Total Certified Mill Levy | <u>40.863</u> |

Board of Directors

Billy Joe Penrod •
 Daniel Kumsok Oh •
 Vacant
 Vacant
 Vacant

*Authorized signer on Checking Account

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

September 30, 2019

PINEY CREEK VILLAGE METROPOLITAN DISTRICT
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 September 30, 2019

| | GENERAL | DEBT SERVICE | LONG-TERM DEBT | TOTAL MEMO ONLY |
|--|-------------------------|--------------------------|----------------------------|----------------------------|
| Assets | | | | |
| Cash in Bank - FirstBank | \$ 2,298 | \$ (1,015) | \$ - | \$ 1,284 |
| Cash in Bank-ColoTrust | 47,966 | 391,645 | - | 439,611 |
| Total Current Assets | <u>50,263.97</u> | <u>390,630.43</u> | <u>-</u> | <u>440,894.40</u> |
| Other Debits | | | | |
| Amount in Debt Service Fund | - | - | 390,630 | 390,630 |
| Amount to be Provided for Debt | - | - | 4,964,370 | 4,964,370 |
| Total Other Debits | <u>-</u> | <u>-</u> | <u>5,355,000.00</u> | <u>5,355,000.00</u> |
| Total Assets | <u><u>\$ 50,264</u></u> | <u><u>\$ 390,630</u></u> | <u><u>\$ 5,355,000</u></u> | <u><u>\$ 5,795,894</u></u> |
| Liabilities | | | | |
| Payroll Taxes Payable | 31 | - | - | 31 |
| Loan Payable | - | - | 5,355,000 | 5,355,000 |
| Total Liabilities | <u>31</u> | <u>-</u> | <u>5,355,000</u> | <u>5,355,031</u> |
| Fund Balance | 36,770 | 87,430 | - | 124,199 |
| Current Year Earnings | 13,464 | 303,201 | - | 316,665 |
| Total Fund Balances | <u>50,233</u> | <u>390,630</u> | <u>-</u> | <u>440,864</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balance | <u><u>\$ 50,264</u></u> | <u><u>\$ 390,630</u></u> | <u><u>\$ 5,355,000</u></u> | <u><u>\$ 5,795,894</u></u> |

PINEY CREEK VILLAGE METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the 9 Months Ending,
September 30, 2019

| <u>Account Description</u> | <u>Period Actual</u> | <u>YTD Actual</u> | <u>Budget</u> | <u>Under/(Over) Budget</u> | <u>% of Budget</u> |
|--|----------------------|-------------------|------------------|--------------------------------|--------------------|
| Revenues | | | | | |
| Property Taxes | \$ 273 | \$ 31,843 | \$ 32,114 | \$ 271 | 99.2% |
| Specific Ownership Tax | 233 | 1,651 | 1,927 | 276 | 85.7% |
| Interest Income | 74 | 759 | 800 | 41 | 94.9% |
| Total Revenues | <u>580.34</u> | <u>34,253.57</u> | <u>34,841.00</u> | <u>587.43</u> | <u>98.3%</u> |
| Expenditures | | | | | |
| Accounting | - | 4,018 | 9,900 | 5,882 | 40.6% |
| District Management | 700 | 4,678 | 8,000 | 3,322 | 58.5% |
| Audit | - | 3,928 | 5,000 | 1,072 | 78.6% |
| Director's Fees | - | - | 600 | 600 | 0.0% |
| Insurance and Bonds | - | 3,428 | 3,750 | 322 | 91.4% |
| Legal | 20 | 2,898 | 6,150 | 3,252 | 47.1% |
| SDA | - | 298 | 400 | 102 | 74.4% |
| Miscellaneous Expense | 21 | 1,064 | 1,000 | (64) | 106.4% |
| Payroll Taxes | - | - | 46 | 46 | 0.0% |
| Treasurer's Fees | 4 | 478 | 482 | 4 | 99.2% |
| Emergency Reserves | - | - | 1,045 | 1,045 | 0.0% |
| Contingency | - | - | 12,000 | 12,000 | 0.0% |
| Total Expenditures | <u>745.13</u> | <u>20,789.75</u> | <u>48,373.00</u> | <u>27,583.25</u> | <u>43.0%</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (165) | 13,464 | (13,532) | (26,996) | |
| Beginning Fund Balance | 50,398 | 36,770 | 29,395 | (7,375) | |
| Ending Fund Balance | <u>\$ 50,233</u> | <u>\$ 50,233</u> | <u>\$ 15,863</u> | <u>\$ (34,370)</u> | |

PINEY CREEK VILLAGE METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Debt Service Fund
For the 9 Months Ending,
September 30, 2019

| <u>Account Description</u> | <u>Period Actual</u> | <u>YTD Actual</u> | <u>Budget</u> | <u>Under/(Over) Budget</u> | <u>% of Budget</u> |
|--|----------------------|-------------------|----------------|--------------------------------|------------------------|
| Revenues | | | | | |
| Property Taxes | \$ 3,100 | \$ 360,913 | \$ 363,990 | \$ 3,077 | 99.2% |
| Specific Ownership Taxes | 2,637 | 18,717 | 21,839 | 3,122 | 85.7% |
| Interest Income | 643 | 4,043 | 2,000 | (2,043) | 202.2% |
| Total Revenues | <u>6,380</u> | <u>383,673</u> | <u>387,829</u> | <u>4,156</u> | <u>98.9%</u> |
| Expenditures | | | | | |
| Loan Principal | - | - | 195,000 | 195,000 | 0.0% |
| Loan Interest | - | 72,554 | 145,507 | 72,953 | 49.9% |
| Paying Agent Fees | - | 2,500 | 2,000 | (500) | 125.0% |
| Treasurer's Fees | 49 | 5,418 | 5,460 | 42 | 99.2% |
| Total Expenditures | <u>49</u> | <u>80,472</u> | <u>347,967</u> | <u>267,495</u> | <u>23.1%</u> |
| Excess (Deficiency) of Revenues Over Expenditures | 6,332 | 303,201 | 39,862 | (263,339) | |
| Beginning Fund Balance | 384,299 | 87,430 | 82,395 | (5,035) | |
| Ending Fund Balance | <u>390,630</u> | <u>390,630</u> | <u>122,257</u> | <u>\$ (268,373)</u> | |

November 1, 2019

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, 2019. 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, 2019. 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.

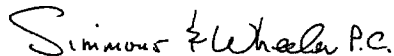
Audit Administration, Fees and Other

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.

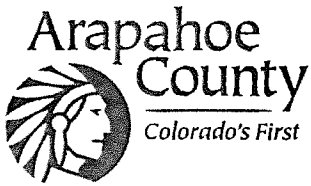
RESPONSE

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

By: _____

Title _____

Date _____



PK Kaiser, MBA, MS

Assessor

OFFICE OF THE ASSESSOR
5334 S. Prince Street
Littleton, CO 80120-1136
Phone: 303-795-4600
TDD: Relay-711
Fax: 303-797-1295
www.arapahoegov.com/assessor

August 23, 2019

AUTH 4515 PINEY CREEK VILLAGE METRO
DIST
SPECIAL DISTRICT MANAGEMENT
SERVICES INC
C/O DAVID SOLIN
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 2019 of:

\$10,239,422

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.

PK Kaiser, MBA, MS
Arapahoe County Assessor

enc

CERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity YES NO

Date: August 23, 2019

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 2019:

| | | | |
|---|-----|----|------------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 1. | \$ | 9,693,469 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡ | 2. | \$ | 10,239,422 |
| 3. LESS TOTAL TIF AREA INCREMENTS, IF ANY: | 3. | \$ | 0 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 4. | \$ | 10,239,422 |
| 5. NEW CONSTRUCTION: * | 5. | \$ | 2 |
| 6. INCREASED PRODUCTION OF PRODUCING MINE: ≈ | 6. | \$ | 0 |
| 7. ANNEXATIONS/INCLUSIONS: | 7. | \$ | 0 |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈ | 8. | \$ | 0 |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ | 9. | \$ | 0 |
| 10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified: | 10. | \$ | 0 |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(1)(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 & 52A.
 Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

| |
|--|
| USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY |
|--|

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2019:

| | | | |
|--|-----|----|-------------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶ | 1. | \$ | 142,930,134 |
| ADDITIONS TO TAXABLE REAL PROPERTY | | | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | 2. | \$ | 0 |
| 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 |
|---|----|----|---|

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

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

| | 2018 Actual | 2019 Adopted Budget | 2020 Preliminary Budget |
|---------------------------------------|------------------------|--------------------------------|------------------------------------|
| Assessed Valuation | \$ 9,686,971 | \$ 9,693,469 | \$ 10,239,422 |
| Mill Levy | | | |
| General Fund | 3.313 | 3.313 | 3.340 |
| Debt Service Fund | 37.550 | 37.550 | 37.852 |
| Refunds and Abatements | - | - | - |
| Total Mill Levy | <u>40.863</u> | <u>40.863</u> | <u>41.192</u> |
| Property Taxes | | | |
| General Fund | \$ 32,093 | \$ 32,114 | \$ 34,200 |
| Debt Service Fund | 363,746 | 363,990 | 387,583 |
| Refunds and Abatements | - | - | - |
| Actual/Budgeted Property Taxes | <u>\$ 395,839</u> | <u>\$ 396,104</u> | <u>\$ 421,783</u> |

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

GENERAL FUND

2020 Preliminary Budget

with 2018 Actual, 2019 Adopted Budget, and 2019 Estimated

| | 2018 Actual | 01/19-09/19 YTD Actual | 2019 Adopted Budget | 2019 Estimated | 2020 Preliminary Budget |
|---|---------------------|---------------------------|------------------------|-------------------|----------------------------|
| BEGINNING FUND BALANCE | 29,878 \$ | 36,769 \$ | 29,395 \$ | 36,769 \$ | 37,141 |
| REVENUE | | | | | |
| Property Taxes | 32,093 | 31,843 | 32,114 | 32,114 | 34,200 |
| Specific Ownership Taxes | 2,332 | 1,651 | 1,927 | 1,927 | 2,000 |
| Interest Income | 835 | 759 | 800 | 800 | 800 |
| Miscellaneous Income | - | - | - | - | - |
| Total Revenue | 35,260 | 34,254 | 34,841 | 34,841 | 37,000 |
| Total Funds Available | 65,138 | 71,023 | 64,236 | 71,610 | 74,141 |
| EXPENDITURES | | | | | |
| Accounting | 8,878 | 4,018 | 9,900 | 9,500 | 9,900 |
| District Management | 4,620 | 4,678 | 8,000 | 7,900 | 8,000 |
| Audit | 4,629 | 3,928 | 5,000 | 4,629 | 5,000 |
| Director's Fees | - | - | 600 | 600 | 600 |
| Election Expense | 1,072 | - | - | - | 1,500 |
| Insurance and Bonds | 3,438 | 3,428 | 3,750 | 3,800 | 4,000 |
| Legal | 4,224 | 2,898 | 6,150 | 6,150 | 6,150 |
| SDA | 317 | 298 | 400 | 298 | 400 |
| Miscellaneous Expense | 678 | 1,064 | 1,000 | 1,064 | 1,000 |
| Payroll Taxes | 31 | - | 46 | 46 | 46 |
| Treasurer's Fees | 482 | 478 | 482 | 482 | 513 |
| Emergency Reserves | - | - | 1,045 | - | 1,110 |
| Contingency | - | - | 12,000 | - | 12,000 |
| Total Expenditures | 28,369 | 20,790 | 48,373 | 34,469 | 50,219 |
| Total Expenditures Requiring Appropriation | 28,369 | 20,790 | 48,373 | 34,469 | 50,219 |
| ENDING FUND BALANCE | \$ 36,769 \$ | 50,233 \$ | 15,863 \$ | 37,141 \$ | 23,922 |

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

DEBT SERVICE FUND

2020 Preliminary Budget

with 2018 Actual, 2019 Adopted Budget, and 2019 Estimated

| | 2018 Actual | 01/19-09/19 YTD Actual | 2019 Adopted Budget | 2019 Estimated | 2020 Preliminary Budget |
|---|----------------|---------------------------|------------------------|-------------------|----------------------------|
| BEGINNING FUND BALANCE | \$ 41,369 | \$ 87,429 | \$ 82,395 | \$ 87,429 | \$ 129,045 |
| REVENUE | | | | | |
| Property Taxes | 363,746 | 360,913 | 363,990 | 363,990 | 387,583 |
| Specific Ownership Taxes | 26,434 | 18,717 | 21,839 | 21,893 | 23,255 |
| Interest Income | 4,832 | 4,043 | 2,000 | 4,200 | 2,000 |
| Total Revenue | 395,011 | 383,673 | 387,829 | 390,083 | 412,838 |
| Total Funds Available | 436,381 | 471,102 | 470,224 | 477,512 | 541,883 |
| EXPENDITURES | | | | | |
| Loan Principal | 190,000 | - | 195,000 | 195,000 | 200,000 |
| Loan Interest | 151,496 | 72,554 | 145,507 | 145,507 | 140,593 |
| Paying Agent Fees | 2,000 | 2,500 | 2,000 | 2,500 | 2,500 |
| Treasurer's Fees | 5,456 | 5,418 | 5,460 | 5,460 | 5,814 |
| Total Expenditures | 348,952 | 80,472 | 347,967 | 348,467 | 348,907 |
| Transfers and Other Uses (Sources) | | | | | |
| Total Expenditures Requiring Appropriation | 348,952 | 80,472 | 347,967 | 348,467 | 348,907 |
| ENDING FUND BALANCE | \$ 87,429 | \$ 390,630 | \$ 122,258 | \$ 129,045 | \$ 192,976 |

RESOLUTION NO. 2019 - 12 - ____

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT
TO ADOPT THE 2020 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 2020 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, 2019, 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, 2019, 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 2020 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 5th day of December, 2019.

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 2020, duly adopted at a meeting of the Board of Directors of the Piney Creek Village Metropolitan District held on December 5, 2019.

By: _____
Secretary

RESOLUTION NO. 2019 - 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 2020 annual budget in accordance with the Local Government Budget Law on December 5, 2019; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2020 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 2020 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 2020 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 5th day of December, 2019.

Secretary

(SEAL)

EXHIBIT A
(Certification of Tax Levies)

RESOLUTION NO. 2019-12-____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
PINEY CREEK VILLAGE METROPOLITAN DISTRICT
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020**

A. The term of the office to which Director Oh has previously been appointed expires upon his re-election, or the election of his successor at the regular election, to be held on May 5, 2020 (“**Election**”), and upon such successor taking office.

B. Two (2) 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 one (1) Director to serve until the next regular election, to occur May 3, 2022, and three (3) Directors to serve until the second regular election, to occur May 2, 2023.

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 5, 2020, 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, one (1) Director shall be elected to serve until the next regular election, to occur May 3, 2022, and three (3) Directors shall be elected to serve until the second regular election, to occur May 2, 2023.

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. David Solin 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., Suite 150, Lakewood, CO 80228, between the hours of 8:00 a.m. and 5:00

p.m., until the close of business on the Tuesday immediately preceding the Election (April 28, 2020).

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 later than 3:00 P.M. on February 28, 2020.

7. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 3, 2020, 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 Piney Creek Village Metropolitan District.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020]**

RESOLUTION APPROVED AND ADOPTED ON December 5, 2019.

**PINEY CREEK VILLAGE
METROPOLITAN DISTRICT**

By: _____
President

Attest:

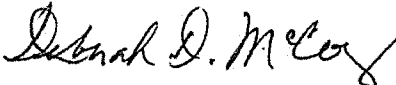
Secretary



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: June, 2019
RE: Notice of Rate Restructuring

In accordance with the Management Agreement (“Agreement”) between the District and Special District Management Services, Inc. (“SDMS”), as of August 1, 2019, the hourly rates described in Article III for all services provided by SDMS shall be subject to the following rate restructuring schedule.

District Management & Administration:

| | |
|--|---------------------|
| Senior Managers and Managers | \$140.00 - \$190.00 |
| Assistant Managers & Admin. Coordinators | \$115.00 - \$150.00 |

Finance & Accounting:

| | |
|---|---------------------|
| Senior Accountants and Accountants | \$130.00 - \$160.00 |
| Assistant Accountants & AP Coordinators | \$110.00 - \$150.00 |

Utility Billing Service:

\$65.00

Operations, Maintenance and Field Services:

\$75.00 - \$95.00

Community Management:

| | |
|---------------------------------|---------------------|
| Managers and Assistant Managers | \$ 95.00 - \$140.00 |
| Administrative Support | \$ 75.00 - \$140.00 |

SDMS is one of the few consultants that has not adopted a variable rate structure. We hope you will understand that, in order to keep up with the changes in our industry, it is beneficial to implement this rate restructuring so that we may continue to provide the best and most efficient management services you expect from SDMS.

We look forward to serving you for many years to come. Please feel free to speak directly with your current District Manager if you have questions.