

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	2022/May 2022
VACANT		2023/May 2022
VACANT		2023/May 2022
VACANT		2023/May 2022
David Solin	Secretary	

DATE: June 10, 2021 (Wednesday)

TIME: 9:00 A.M.

PLACE: DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT BOARD MEETING WILL BE HELD BY CONFERENCE CALL WITHOUT ANY INDIVIDUALS (NEITHER DISTRICT REPRESENTATIVES NOR THE GENERAL PUBLIC) ATTENDING IN PERSON. IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE CALL IN TO THE CONFERENCE BRIDGE VIA THE FOLLOWING CALL-IN INFORMATION:

CONFERENCE CALL NUMBER: **1-877-250-3814**
PASSCODE: **5592663**

I. ADMINISTRATIVE MATTERS

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

- B. Review and approve Minutes of the November 12, 2020 Special Meeting (enclosure).

- C. Discuss Board vacancies; consider appointment of qualified candidate(s) and administer Oath of Director(s) (if any).

II. FINANCIAL MATTERS

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

Fund	Period ending Nov. 13, 2020	Period ending Dec. 21, 2020	Period ending Jan. 20, 2021	Period ending Feb. 11, 2021
General	\$ 4,232.81	\$ 2,201.95	\$ 1,746.21	\$ 2,106.59
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 4,232.81	\$ 2,201.95	\$ 1,746.21	\$ 2,106.59

Fund	Period ending March 26, 2021	Period ending April 30, 2021	Period ending May 19, 2021
General	\$ 1,717.45	\$ 1,218.20	\$ 6,890.75
Debt Service	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 1,717.45	\$ 1,218.20	\$ 6,890.75

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- B. Review and accept unaudited financial statements for the period ending March 31, 2021 (enclosure).
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- C. Review and accept the 2020 Audit (enclosure) and authorize execution of the Representations Letter.
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III. LEGAL MATTERS

- A. Review and consider adoption of Second Amendment to Resolution No. 2013-12-04; Resolution Regarding Colorado Open Records Act Requests (enclosure).
-

IV. OTHER MATTERS

- A. _____
-

- V. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 11, 2021.**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT HELD NOVEMBER 12, 2020

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 Thursday, the 12th day of November, 2020, at 9:00 a.m. Due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board Meeting was held by conference call without any individuals (neither District representatives nor the general public) attending in person. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Billy Joe “B.J.” Penrod

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 Special Meeting.

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

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

It was noted that due to concerns regarding the spread of COVID-19 and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held and properly noticed to be held via telephone conference, without any individuals (neither District representatives nor the general public attending in person). The Board further noted that notice of the date, time and conference bridge information was duly posted and that they have not received any objections to the means of hosting the meeting by taxpaying electors within the District boundaries.

RECORD OF PROCEEDINGS

Minutes: The Board reviewed the Minutes of the June 18, 2020 Special Meeting.

Following discussion, upon motion duly made and seconded by Director Penrod and, upon vote, unanimously carried, the Minutes of the June 18, 2020 Special Meeting were approved, as presented.

Board Vacancies: The Board discussed the vacancies on the Board. Eligible elector, Dr. Daniel Kumsok Oh, was nominated to serve on the Board. Following discussion, upon motion duly made and seconded by Director Penrod, and upon vote unanimously carried, the Board appointed Dr. Daniel Kumsok Oh to fill the vacancy on the Board. District Staff was directed to coordinate administration of the Oath of Office. Pending administration of the Oath of Office, Dr. Oh was appointed to the office of Treasurer.

Resolution No. 2020-11-01, Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 24-Hour Notices:

The Board considered Resolution No. 2020-11-01, Resolution Establishing 2021 Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2021 to meet the statutory compliance requirements. The Board determined to meet on June 10, 2021 and November 11, 2021 at 9:00 a.m. at the offices of Dr. Oh, 8480 E. Orchard Rd., #3000, Greenwood Village, Colorado.

Following discussion, upon motion duly made and seconded by Director Penrod, and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-11-01, Resolution Establishing 2021 Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 24-Hour Notices.

§32-1-809, C.R.S. Transparency Notice Reporting Requirements: 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 and seconded by Director Penrod, and, upon vote, unanimously carried, the Board determined to post the required information on the SDA website.

**FINANCIAL
MATTERS**

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

RECORD OF PROCEEDINGS

Fund	Period ending June 17, 2020	Period ending July 14, 2020	Period ending Aug. 13, 2020	Period ending Sept. 16, 2020
General	\$ 1,540.30	\$ 5,877.37	\$ 2,985.38	\$ 864.34
Debt Service	\$ 2,750.00	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 4,290.30	\$ 5,877.37	\$ 2,985.38	\$ 864.34

Fund	Period ending Oct. 16, 2020
General	\$ 1,208.58
Debt Service	\$ -0-
Total Claims	\$ 1,208.58

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

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 September 30, 2020.

Following discussion, upon motion duly made and seconded by Director Penrod and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2020, as presented.

Engagement of Simmons & Wheeler, P.C. to Perform 2020 Audit: The Board entered into discussion regarding the engagement of Simmons & Wheeler, P.C. to perform the 2020 Audit.

Following discussion, upon motion duly made and seconded by Director Penrod and, upon vote, unanimously carried, the Board approved the engagement of Simmons & Wheeler, P.C. to perform the 2020 Audit, for an amount not to exceed \$4,000.

2020 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2020 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 and seconded by Director Penrod, and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-11-02; Resolution to Amend the 2020 Budget. A copy of the Resolution is attached hereto and incorporated herein by this reference.

RECORD OF PROCEEDINGS

2021 Budget Hearing: The President opened the Public Hearing to consider the proposed 2021 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2021 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.

Mr. Solin reviewed the estimated 2020 expenditures and the proposed 2021 expenditures.

Following discussion, the Board considered adoption of Resolution No. 2020-11-03; Resolution to Adopt the 2021 Budget and Appropriate Sums of Money, and Resolution No. 2020-11-04; Resolution to Set Mill Levies (for the General Fund at 3.340 mills, the Debt Service Fund at 37.852 mills, for a total mill levy of 41.192 mills). Upon motion duly made and seconded by Director Penrod, 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, 2020. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Arapahoe County not later than December 15, 2020. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2021. Copies of the adopted Resolutions are 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 and seconded by Director Penrod, 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.

Preparation of the 2022 Budget: The Board discussed preparation of the 2022 Budget.

Following discussion, upon motion duly made and seconded by Director Penrod and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2022 Budget.

RECORD OF PROCEEDINGS

**LEGAL
MATTERS**

There were no legal matters for discussion at this time.

**OTHER
MATTERS**

There was no other business at this time.

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting

Piney Creek Village Metropolitan District
November-20

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Colorado Special Districts P&L	POL-0004510	9/22/2020	1/1/2021	\$ 2,609.00	Prepaid Insurance	1142
McGeady Becher P.C.	607W 9/20	9/30/2020	11/13/2020	\$ 105.00	Legal	1675
Special Dist Mgmt Services, Inc	10/31/2020	10/31/2020	11/13/2020	\$ 392.00	District Management	1614
Special Dist Mgmt Services, Inc	10/31/2020	10/31/2020	11/13/2020	\$ 574.00	Accounting	1612
Special Dist Mgmt Services, Inc	10/31/2020	10/31/2020	11/13/2020	\$ 12.97	Miscellaneous Expense	1690
T Charles Wilson Insurance	9207	10/14/2020	11/13/2020	\$ 495.00	Prepaid Insurance	1142
The Villager Legals	9969	11/5/2020	11/13/2020	\$ 44.84	Miscellaneous Expense	1690
				\$ 4,232.81		

Piney Creek Village Metropolitan District
November-20

	General	Enterprise	Debt	Totals
Disbursements	\$ 4,232.81			\$ 4,232.81
Payroll				\$ -
Payroll Taxes	-	\$ -	-	\$ -
Total Disbursements from Checking Acct	\$4,232.81	\$0.00	\$0.00	\$4,232.81

**Piney Creek Village Metropolitan District
December-20**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
McGeady Becher P.C.	607W 10/20	10/31/2020	12/21/2020	\$ 514.00	Legal	1675
Special Dist Mgmt Services, Inc	Nov-20	11/30/2020	12/21/2020	\$ 960.50	District Management	1614
Special Dist Mgmt Services, Inc	Nov-20	11/30/2020	12/21/2020	\$ 560.00	Accounting	1612
Special Dist Mgmt Services, Inc	Nov-20	11/30/2020	12/21/2020	\$ 75.10	Miscellaneous Expense	1690
				\$2,109.60		

<u>Check Issue Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Amount</u>
12/21/2020	<u>9058</u>	Penrod, Billy Joe	<u>92.35</u>
Grand Totals:			
	<u>1</u>		<u>92.35</u>

**Piney Creek Village Metropolitan District
December-20**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 2,109.60			\$ 2,109.60
Payroll	\$ 92.35			\$ 92.35
Payroll Taxes	-	\$ -	-	\$ -
Total Disbursements from Checking Acct	\$2,201.95	\$0.00	\$0.00	\$2,201.95

**Piney Creek Village Metropolitan District
January-21**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
McGeady Becher P.C.	607W 11/20	11/30/2020	1/20/2021	\$ 539.00	Legal	1675
Special Dist Mgmt Services, Inc	Dec-20	12/31/2020	1/20/2021	\$ 420.00	District Management	1614
Special Dist Mgmt Services, Inc	Dec-20	12/31/2020	1/20/2021	\$ 588.00	Accounting	1612
Special Dist Mgmt Services, Inc	Dec-20	12/31/2020	1/20/2021	\$ 62.39	Miscellaneous Expense	1690
The Villager Legals	9399	11/21/2019	1/20/2021	\$ 41.62	Miscellaneous Expense	1690
The Villager Legals	9354	11/7/2019	1/20/2021	\$ 42.08	Miscellaneous Expense	1690
The Villager Legals	9508	1/30/2020	1/20/2021	\$ 53.12	Election Expense	1635
				\$ 1,746.21		

Piney Creek Village Metropolitan District
January-21

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 1,746.21			\$ 1,746.21
Payroll				\$ -
Payroll Taxes	-	\$ -	-	\$ -
Total Disbursements from Checking Acct	\$1,746.21	\$0.00	\$0.00	\$1,746.21

Piney Creek Village Metropolitan District
February-21

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
McGeady Becher P.C.	607W 1/21	1/31/2021	2/11/2021	\$ 200.00	Legal	1675
McGeady Becher P.C.	607W 12/20	12/31/2020	2/11/2021	\$ 512.83	Legal	1675
Special Dist Mgmt Services, Inc	Jan-21	1/31/2021	2/11/2021	\$ 406.00	District Management	1614
Special Dist Mgmt Services, Inc	Jan-21	1/31/2021	2/11/2021	\$ 980.00	Accounting	1612
Special Dist Mgmt Services, Inc	Jan-21	1/31/2021	2/11/2021	\$ 7.76	Miscellaneous Expense	1690
				\$ 2,106.59		

Piney Creek Village Metropolitan District
February-21

	General	Enterprise	Debt	Totals
Disbursements	\$ 2,106.59			\$ 2,106.59
Payroll				\$ -
Payroll Taxes	-	\$ -	-	\$ -
Total Disbursements from Checking Acct	\$2,106.59	\$0.00	\$0.00	\$2,106.59

Piney Creek Village Metropolitan District

March-21

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Special Dist Mgmt Services, Inc	Feb-21	2/28/2021	3/26/2021	\$ 621.00	District Management	1614
Special Dist Mgmt Services, Inc	Feb-21	2/28/2021	3/26/2021	\$ 756.00	Accounting	1612
Special Dist Mgmt Services, Inc	Feb-21	2/28/2021	3/26/2021	\$ 42.36	Miscellaneous Expense	1690
Special District Association	SDA 2021	2/23/2021	3/26/2021	\$ 298.09	SDA	1685
				\$ 1,717.45		

Piney Creek Village Metropolitan District
March-21

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 1,717.45			\$ 1,717.45
Payroll				\$ -
Payroll Taxes	-	\$ -	-	\$ -
Total Disbursements from Checking Acct	\$1,717.45	\$0.00	\$0.00	\$1,717.45

Piney Creek Village Metropolitan District

April-21

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
McGeady Becher P.C.	607W 02/21	2/28/2021	2/28/2021	\$40.00	Legal	1675
Special Dist Mgmt Services, Inc	Mar-21	3/31/2021	3/31/2021	\$350.00	District Management	1614
Special Dist Mgmt Services, Inc	Mar-21	3/31/2021	3/31/2021	\$826.00	Accounting	1612
Special Dist Mgmt Services, Inc	Mar-21	3/31/2021	3/31/2021	\$2.20	Miscellaneous Expense	1690
				\$1,218.20		

Piney Creek Village Metropolitan District
April-21

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 1,218.20			\$ 1,218.20
Payroll				\$ -
Payroll Taxes	-	\$ -	-	\$ -
Total Disbursements from Checking Acct	\$1,218.20	\$0.00	\$0.00	\$1,218.20

**Piney Creek Village Metropolitan District
May-21**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
McGeady Becher P.C.	4/30/2021	4/30/2021	5/19/2021	\$ 1,646.50	Legal	1675
McGeady Becher P.C.	3/31/2021	3/31/2021	5/19/2021	\$ 283.50	Legal	1675
Simmons & Wheeler, PC	30395	3/31/2021	3/31/2021	\$ 4,000.00	Audit	1615
Special Dist Mgmt Services, Inc	4/30/2021	4/30/2021	5/19/2021	\$ 308.00	District Management	1614
Special Dist Mgmt Services, Inc	4/30/2021	4/30/2021	5/19/2021	\$ 616.00	Accounting	1612
Special Dist Mgmt Services, Inc	4/30/2021	4/30/2021	5/19/2021	\$ 36.75	Miscellaneous Expense	1690
				\$ 6,890.75		

Piney Creek Village Metropolitan District
May-21

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 6,890.75			\$ 6,890.75
Payroll				\$ -
Payroll Taxes	-	\$ -	-	\$ -
Total Disbursements from Checking Acct	\$6,890.75	\$0.00	\$0.00	\$6,890.75

PINEY CREEK VILLAGE METROPOLITAN DISTRICT
Schedule of Cash Position
March 31, 2021

	Rate	Operating	Debt Service	Total
Checking:				
Cash in Bank - FirstBank		\$ 7,049.47	\$ (3,742.25)	\$ 3,307.22
Investments:				
Cash in Bank-ColoTrust	0.0648%	50,540.60	355,149.44	405,690.04
TOTAL FUNDS:		\$ 57,590.07	\$ 351,407.19	\$ 408,997.26

2021 Mill Levy Information

Certified General Fund Mill Levy	3.340
Certified Debt Service Fund Mill Levy	37.852
Total Certified Mill Levy	41.192

Board of Directors

Billy Joe Penrod
Daniel Kumsok Oh
Vacant
Vacant
Vacant

*authorized signer on checking account

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

March 31, 2021

PINEY CREEK VILLAGE METROPOLITAN DISTRICT
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
March 31, 2021

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>LONG-TERM DEBT</u>	<u>TOTAL MEMO ONLY</u>
Assets				
Cash in Bank - FirstBank	\$ 7,049	\$ (3,742)	\$ -	\$ 3,307
Cash in Bank-ColoTrust	50,541	355,149	-	405,690
Property Taxes Receivable	21,751	246,502	-	268,253
Total Current Assets	<u>79,341</u>	<u>597,909</u>	<u>-</u>	<u>677,250</u>
Other Debits				
Amount in Debt Service Fund	-	-	351,407	351,407
Amount to be Provided for Debt	-	-	4,608,593	4,608,593
Total Other Debits	<u>-</u>	<u>-</u>	<u>4,960,000</u>	<u>4,960,000</u>
Total Assets	<u>\$ 79,341</u>	<u>\$ 597,909</u>	<u>\$ 4,960,000</u>	<u>\$ 5,637,250</u>
Liabilities				
Loan Payable	\$ -	\$ -	\$ 4,960,000	\$ 4,960,000
Total Liabilities	<u>-</u>	<u>-</u>	<u>4,960,000</u>	<u>4,960,000</u>
Deferred Inflows of Resources				
Deferred Property Taxes	21,751	246,502	-	268,253
Total Deferred Inflows of Resources	<u>21,751</u>	<u>246,502</u>	<u>-</u>	<u>268,253</u>
Fund Balance	51,963	206,768	-	258,731
Current Year Earnings	5,627	144,639	-	150,266
Total Fund Balances	<u>57,590</u>	<u>351,407</u>	<u>-</u>	<u>408,997</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 79,341</u>	<u>\$ 597,909</u>	<u>\$ 4,960,000</u>	<u>\$ 5,637,250</u>

PINEY CREEK VILLAGE METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the 3 Months Ending
March 31, 2021

<u>Account Description</u>	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
Revenues					
Property Taxes	\$ 12,569	\$ 12,569	\$ 34,320	\$ (21,751)	36.6%
Specific Ownership Taxes	378	378	2,000	(1,622)	18.9%
Interest Income	10	10	800	(790)	1.2%
Total Revenues	<u>12,957</u>	<u>12,957</u>	<u>37,120</u>	<u>(24,163)</u>	<u>34.9%</u>
Expenditures					
Accounting	1,736	1,736	9,900	8,164	17.5%
District Management	1,027	1,027	8,000	6,973	12.8%
Audit	-	-	5,000	5,000	0.0%
Director's Fees	-	-	600	600	0.0%
Insurance and Bonds	3,554	3,554	4,000	446	88.9%
Legal	200	200	6,150	5,950	3.3%
SDA	298	298	400	102	74.5%
Miscellaneous Expense	326	326	1,000	674	32.6%
Payroll Taxes	-	-	46	46	0.0%
Treasurer's Fees	189	189	515	326	36.6%
Emergency Reserves	-	-	1,114	1,114	0.0%
Contingency	-	-	12,000	12,000	0.0%
Total Expenditures	<u>7,330</u>	<u>7,330</u>	<u>48,725</u>	<u>41,395</u>	<u>15.0%</u>
Excess (Deficiency) of Revenues Over Expenditures	5,627	5,627	(11,605)	17,232	
Beginning Fund Balance	51,963	51,963	42,918	9,045	
Ending Fund Balance	<u>\$ 57,590</u>	<u>\$ 57,590</u>	<u>\$ 31,313</u>	<u>\$ 26,277</u>	

PINEY CREEK VILLAGE METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Debt Service Fund
For the 3 Months Ending
March 31, 2021

<u>Account Description</u>	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
Revenues					
Property Taxes	\$ 142,448	\$ 142,448	\$ 388,950	\$ (246,502)	36.6%
Specific Ownership Taxes	4,279	4,279	23,250	(18,971)	18.4%
Interest Income	49	49	400	(351)	12.4%
Total Revenues	<u>146,776</u>	<u>146,776</u>	<u>412,600</u>	<u>(265,824)</u>	<u>35.6%</u>
Expenditures					
Loan Principal	-	-	205,000	205,000	0.0%
Loan Interest	-	-	134,774	134,774	0.0%
Paying Agent Fees	-	-	2,750	2,750	0.0%
Treasurer's Fees	2,137	2,137	5,834	3,697	36.6%
Total Expenditures	<u>2,137</u>	<u>2,137</u>	<u>348,358</u>	<u>346,221</u>	<u>0.6%</u>
Excess (Deficiency) of Revenues Over Expenditures	144,639	144,639	64,242	80,397	
Beginning Fund Balance	206,768	206,768	198,765	8,003	
Ending Fund Balance	<u>\$ 351,407</u>	<u>\$ 351,407</u>	<u>\$ 263,007</u>	<u>\$ 88,400</u>	

DRAFT 3/23/2021

**PINEY CREEK VILLAGE
METROPOLITAN DISTRICT**

Financial Statements

Year Ended December 31, 2020

with

Independent Auditors' Report

DRAFT 3/23/2021

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION GOVERNMENTAL FUNDS December 31, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS					
Cash and investments	\$ 49,456	\$ -	\$ 49,456	\$ -	\$ 49,456
Cash and investments - restricted	1,114	204,872	205,986	-	205,986
Receivable - County Treasurer	167	1,896	2,063	-	2,063
Property taxes receivable	34,320	388,950	423,270	-	423,270
Prepaid expenses	<u>3,554</u>	<u>-</u>	<u>3,554</u>	<u>-</u>	<u>3,554</u>
Total Assets	<u>88,611</u>	<u>595,718</u>	<u>684,329</u>	<u>-</u>	<u>684,329</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on refunding	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,987</u>	<u>82,987</u>
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,987</u>	<u>82,987</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 88,611</u>	<u>\$ 595,718</u>	<u>\$ 684,329</u>		
LIABILITIES					
Accounts payable	\$ 2,328	\$ -	\$ 2,328	-	2,328
Accrued interest on bonds	-	-	-	11,231	11,231
Long-term liabilities:					
Due within one year	-	-	-	205,000	205,000
Due in more than one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,755,000</u>	<u>4,755,000</u>
Total Liabilities	<u>2,328</u>	<u>-</u>	<u>2,328</u>	<u>4,971,231</u>	<u>4,973,559</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred property taxes	<u>34,320</u>	<u>388,950</u>	<u>423,270</u>	<u>-</u>	<u>423,270</u>
Total Deferred Inflows of Resources	<u>34,320</u>	<u>388,950</u>	<u>423,270</u>	<u>-</u>	<u>423,270</u>
FUND BALANCES/NET POSITION					
Fund Balances:					
Nonspendable:					
Prepays	3,554	-	3,554	(3,554)	-
Restricted:					
Emergencies	1,114	-	1,114	(1,114)	-
Debt service	-	206,768	206,768	(206,768)	-
Unassigned	<u>47,295</u>	<u>-</u>	<u>47,295</u>	<u>(47,295)</u>	<u>-</u>
Total Fund Balances	<u>51,963</u>	<u>206,768</u>	<u>258,731</u>	<u>(258,731)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 88,611</u>	<u>\$ 595,718</u>	<u>\$ 684,329</u>		
Net Position:					
Restricted for:					
Emergencies				1,114	1,114
Debt service				195,537	195,537
Unrestricted				<u>(4,826,164)</u>	<u>(4,826,164)</u>
Total Net Position				<u>\$ (4,629,513)</u>	<u>\$ (4,629,513)</u>

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

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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, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES					
General expenses:					
Accounting	\$ 7,252	\$ -	\$ 7,252	\$ -	\$ 7,252
Audit	4,756	-	4,756	-	4,756
Directors fees	200	-	200	-	200
Election expense	507	-	507	-	507
Insurance	3,480	-	3,480	-	3,480
Legal	4,185	-	4,185	-	4,185
Management fees	5,309	-	5,309	-	5,309
Miscellaneous expenses	1,083	-	1,083	-	1,083
Payroll taxes	15	-	15	-	15
SDA	300	-	300	-	300
Treasurer's fees	513	5,819	6,332	-	6,332
Debt Service:					
Loan principal	-	200,000	200,000	(200,000)	-
Loan interest expense	-	140,209	140,209	17,622	157,831
Paying agent fees	-	2,750	2,750	-	2,750
Total Expenditures	<u>27,600</u>	<u>348,778</u>	<u>376,378</u>	<u>(182,378)</u>	<u>194,000</u>
GENERAL REVENUES					
Property taxes	34,198	387,568	421,766	-	421,766
Specific ownership taxes	2,424	27,566	29,990	-	29,990
Miscellaneous income	7	-	7	-	7
Interest income	350	2,173	2,523	-	2,523
Total General Revenues	<u>36,979</u>	<u>417,307</u>	<u>454,286</u>	<u>-</u>	<u>454,286</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	9,379	68,529	77,908	182,378	260,286
NET CHANGES IN FUND BALANCES					
	9,379	68,529	77,908	(77,908)	
CHANGE IN NET POSITION					
				260,286	260,286
FUND BALANCES/NET POSITION:					
BEGINNING OF YEAR	<u>42,584</u>	<u>138,239</u>	<u>180,823</u>	<u>(5,070,622)</u>	<u>(4,889,799)</u>
END OF YEAR	<u>\$ 51,963</u>	<u>\$ 206,768</u>	<u>\$ 258,731</u>	<u>\$ (4,888,244)</u>	<u>\$ (4,629,513)</u>

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

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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, 2020

	Original and <u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Property taxes	\$ 34,200	\$ 34,198	\$ (2)
Specific ownership taxes	2,000	2,424	424
Miscellaneous income	-	7	7
Interest income	800	350	(450)
Total Revenues	<u>37,000</u>	<u>36,979</u>	<u>(21)</u>
EXPENDITURES			
Accounting	9,900	7,252	2,648
Audit	5,000	4,756	244
Directors fees	600	200	400
Election expense	1,500	507	993
Insurance	4,000	3,480	520
Legal	6,150	4,185	1,965
Management fees	8,000	5,309	2,691
Miscellaneous expenses	1,000	1,083	(83)
Payroll taxes	46	15	31
SDA	400	300	100
Treasurer's fees	513	513	-
Contingency	12,000	-	12,000
Emergency reserve	1,110	-	1,110
Total Expenditures	<u>50,219</u>	<u>27,600</u>	<u>22,619</u>
NET CHANGE IN FUND BALANCE	(13,219)	9,379	22,598
FUND BALANCE:			
BEGINNING OF YEAR	<u>37,141</u>	<u>42,584</u>	<u>5,443</u>
END OF YEAR	<u>\$ 23,922</u>	<u>\$ 51,963</u>	<u>\$ 28,041</u>

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

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

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.

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, 2020, 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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (continued)

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.

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, 2020, 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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (continued)

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 2020.

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 \$423,270 for 2020. Since these taxes are not normally available to the District until 2021, they are classified as deferred income until 2021.

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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (continued)

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 \$102,606 at December 31, 2020.

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:

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 \$3,554 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 \$1,114 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 \$206,768 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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (continued)

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.

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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

Note 2: Cash and Investments

As of December 31, 2020, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 49,456
Cash and investments - Restricted	<u>205,986</u>
Total	\$ <u>255,442</u>

Cash and investments as of December 31, 2020, consist of the following:

Deposits with financial institutions	\$ 2,723
Investments – COLOTRUST	<u>252,719</u>
	\$ <u>255,442</u>

Deposits:

Custodial Credit Risk

The Colorado Public Deposit Protection Act (“PDPA”) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

Note 2: Cash and Investments (continued)

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.

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, 2020, the District had the following investments:

COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST" or the "Trust") is rated AAAM by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. The trust operates 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 Trust. Substantially all securities owned by the Trust 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, 2020, the District had \$252,719 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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

Note 4: Long Term Debt

The following is an analysis of changes in long-term debt for the period ending December 31, 2020:

	<u>Balance</u> <u>12-31-19</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12-31-20</u>	<u>Current</u> <u>Portion</u>
<u>Loans from direct borrowing</u> <u>and direct placements:</u>					
Refunding Loan-Series 2015	\$ 5,160,000	\$ -	\$ 200,000	\$ 4,960,000	\$ 205,000
Total Long term Debt	<u>\$ 5,160,000</u>	<u>\$ -</u>	<u>\$ 200,000</u>	<u>\$ 4,960,000</u>	<u>\$ 205,000</u>

A description of the long-term obligations as of December 31, 2020, 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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

Note 4: Long-Term Debt (continued)

Events of Default as defined by the Loan Agreement include a) failure by the District to impose the Required Mill Levy or to apply the Pledged Revenue as required by the Loan Agreement, b) failure by the District to pay the principal of or interest on the Loan or any other amount payable to the Bank under the Loan Agreement when due, c) failure by the District to perform any of the covenants, agreements, or conditions required by the Series 2015 Loan Agreement or the other Financing documents and failure to remedy the default within 30 days of notice by the Bank, provided, however, that there shall be no Event of Default for failure to perform any of these covenants, agreements, or conditions if a court or other jurisdiction has determined them to be unlawful, d) determination that any representation or warranty made by the District proves to be untrue or incomplete in any material respect, e) the occurrence and continuance of an event of default or an event of nonperformance under the Custodial Agreement or any of the other Financing Documents after the expiration of any grace period, f) failure by the District to pay the principal of or interest when due on any financial obligation of the District and continuance of such default beyond any grace period, g) the pledge of the Pledged Revenue or any other security interest created under the Loan Agreement fails to be fully enforceable with the priority required therein, h) any judgement or court order exceeding insurance coverage in excess of \$50,000 is rendered against the District and the District fails to pay or satisfy such judgment for 30 days, i) a change occurs in the financial or operating condition of the District which the Bank judges to have a material adverse impact on the District and its ability to satisfy its obligations under this agreement and the District fails to cure such condition within the time specified by the Bank, j) the District commences any case, proceeding, or other action relating to bankruptcy, insolvency, reorganization, relief of debtors or appointment of a receiver, trustee or custodian, k) any financing document related to the Series 2015 Loan or pledge or security interest related to such documents ceases to be valid or enforceable, l) the District's auditor delivers a qualified opinion with respect to the District's status as a going concern, m) any funds or investments on deposit in, or otherwise to the credit of, any of the funds or accounts established under the Loan Agreement or Custodial Agreement shall become subject to any writ, judgment, warrant, attachment, execution, or similar process, or n) any determination, decision, or decree by the IRS or other court which results in interest payable on the Series 2015 Loan becoming includable in the gross income of an owner, unless appealed or contested in good faith by the District. Remedies are available to the Lender as described in the Loan Agreement, however, except for the application of the interest rate being changed to a Default Rate, no remedy will be available solely because of the failure of the District to pay principal of, or interest on, the Loan when due. Acceleration of the Loan is also not an available remedy for an Event of Default.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

Note 4: Long-Term Debt (continued)

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.

The following is a summary of the annual long-term debt principal and interest requirements as of December 31, 2020:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 205,000	\$ 134,774	\$ 339,774
2022	210,000	129,204	339,204
2023	215,000	123,498	338,498
2024	225,000	117,978	342,978
2025	<u>4,105,000</u>	<u>74,259</u>	<u>4,179,259</u>
	<u>\$ 4,960,000</u>	<u>\$ 579,713</u>	<u>\$ 5,539,713</u>

The District had no unused lines of credit as of December 31, 2020.

Note 5: Debt Authorization

As of December 31, 2019, 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 2021.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

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.

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.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2020

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.

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.

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SUPPLEMENTAL INFORMATION

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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, 2020

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Property taxes	\$ 387,583	\$ 387,568	\$ (15)
Specific ownership taxes	23,255	27,566	4,311
Interest income	<u>2,000</u>	<u>2,173</u>	<u>173</u>
Total Revenues	<u>412,838</u>	<u>417,307</u>	<u>4,469</u>
EXPENDITURES			
Loan principal	200,000	200,000	-
Loan interest expense	140,593	140,209	384
Paying agent fees	2,500	2,750	(250)
Treasurer's fees	<u>5,814</u>	<u>5,819</u>	<u>(5)</u>
Total Expenditures	<u>348,907</u>	<u>348,778</u>	<u>129</u>
NET CHANGE IN FUND BALANCE	63,931	68,529	4,598
FUND BALANCE:			
BEGINNING OF YEAR	<u>129,045</u>	<u>138,239</u>	<u>9,194</u>
END OF YEAR	<u>\$ 192,976</u>	<u>\$ 206,768</u>	<u>\$ 13,792</u>

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

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAXES COLLECTED

December 31, 2020

<u>Year Ended</u> <u>December 31,</u>	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Tax		Percent Collected to Levied
		<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%
2018	\$ 9,686,971	3.313	37.550	\$ 395,839	\$ 395,839	100.00%
2019	\$ 9,693,469	3.313	37.550	\$ 396,104	\$ 396,104	100.00%
2020	\$ 10,239,422	3.340	37.852	\$ 421,783	\$ 421,766	100.00%

Estimated for
year ending
December 31,

2021 \$ 10,275,559 3.340 37.852 \$ 423,270

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.

**SECOND AMENDMENT TO RESOLUTION NO. 2013-12-04
PINEY CREEK VILLAGE METROPOLITAN DISTRICT
REGARDING COLORADO OPEN RECORDS ACT REQUESTS**

A. On December 3, 2013, Piney Creek Village Metropolitan District (the “**District**”) adopted Resolution No. 2013-12-04 Regarding Colorado Open Records Act Requests (the “**Resolution**”).

B. The District desires to amend the Resolution due to a change in the District’s Official Custodian.

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

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Resolution.

2. Amendment to Section 1 of Resolution. Section 1 of the Resolution is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

“1. Special District Management Service, Inc., the Manager for the District, is hereby designated as the “**Official Custodian**” of the public records of the District, as such term is defined in Section 24-72-202(2), C.R.S. Contact information for the Official Custodian is: Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228; (303) 987-0835.”

3. Except as expressly set forth herein, the Resolution continues to be effective without modification.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO SECOND AMENDMENT TO RESOLUTION REGARDING
COLORADO OPEN RECORDS ACT REQUESTS]**

RESOLUTION APPROVED AND ADOPTED ON JUNE 10, 2021.

**PINEY CREEK VILLAGE
METROPOLITAN DISTRICT**

By: _____
President

Attest:

Secretary