

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>
Mithilesh “Mitch” Kumar	President	2027/May 2027
Gary Hahn	Treasurer	2025/May 2025
Daniel Kumsok Oh	Assistant Secretary	2025/May 2025
Manish Kumar	Assistant Secretary	2027/May 2027
VACANT		2027/May 2027
David Solin	Secretary	

DATE: June 27, 2024 (Thursday)
TIME: 9:00 A.M.
LOCATION: Zoom Meeting

Join Zoom Meeting

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

Meeting ID: 546 911 9353

Passcode: 912873

Dial In: 1-719-359-4580

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda, confirm location of the meeting, posting of meeting notice and designate 24-hour posting location.

C. Discuss Board vacancy.

D. Review and approve Minutes of the November 16, 2023 Regular Meeting and November 16, 2023 Statutory Annual Meeting (enclosures).

II. PUBLIC COMMENTS.

A. _____

III. FINANCIAL MATTERS

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

Fund	Period ending Nov. 30, 2023	Period ending Dec. 31, 2023	Period ending Jan. 31, 2024	Period ending Feb. 29, 2024
General	\$ 3,368.52	\$ 3,817.94	\$ 1,081.55	\$ 2,637.52
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Enterprise	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 3,368.52	\$ 3,817.94	\$ 1,085.55	\$ 2,637.52

Fund	Period ending March 31, 2024	Period ending April 30, 2024	Period ending May 31, 2024	Period ending June 30, 2024
General	\$ 5,518.02	\$ 3,286.08	\$ 2,104.90	\$ 5,087.63
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Enterprise	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 5,518.02	\$ 3,286.08	\$ 2,104.90	\$ 5,087.63

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

C. Conduct Public Hearing to consider amendment of the 2023 Budget. Consider adoption of Resolution to Amend the 2023 Budget (enclosure).

D. Review and approve the 2023 Audit (enclosure) and authorize execution of the Representations Letter.

E. Discuss matters related to proposed refinancing of Series 2015 Loan.

IV. LEGAL MATTERS

A. _____

V. OTHER MATTERS

A. Discuss District website accessibility matters and authorize necessary actions in connection therewith.

VI. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 21, 2024.**

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT HELD NOVEMBER 16, 2023

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 Thursday, the 16th day of November, 2023, at 9:00 a.m. The District Board meeting was held via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mithilesh “Mitch” Kumar, President
Gary Hahn, Treasurer
Daniel Kumsok Oh, Assistant Secretary
Manish Kumar, Assistant Secretary

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paula Williams, Esq. and Kate Olson, Esq.; McGeady Becher P.C.

ADMINISTRATIVE MATTERS

Disclosure of Potential Conflicts of Interest: Mr. Solin confirmed the presence of a quorum. The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Attorney Williams requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. No conflicts were disclosed.

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

Following discussion, upon motion duly made by Director Hahn, seconded by Director Manish Kumar and, upon vote unanimously carried, the Agenda was approved.

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 meeting.

RECORD OF PROCEEDINGS

It was noted that the District Board meeting was held, and properly noticed to be held, via video / telephone conference. The Board further noted that notice of the date, time and meeting access 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's boundaries.

Vacancy on the Board: The Board discussed the vacancy on the Board. It was noted that no eligible electors have expressed an interest in filling the vacancy at this time.

Minutes: The Board reviewed the Minutes of the June 15, 2023 Special Meeting.

Following discussion, upon motion duly made by Director Manish Kumar, seconded by Director Hahn and, upon vote unanimously carried, the Minutes of the June 15, 2023 Special Meeting were approved.

Resolution Establishing 2024 Regular Meeting Dates, Times and Location, and Designating Location for Posting of 24-Hour Notices: The Board considered the Resolution Establishing 2024 Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2024 to meet the statutory compliance requirements. The Board determined to meet on June 20, 2024 and November 21, 2024 at 9:00 a.m. via Zoom.

Following discussion, upon motion duly made by Director Oh, seconded by Director Hahn and, upon vote unanimously carried, the Board adopted the Resolution Establishing 2024 Regular Meeting Dates, Times and Location, and Designating Location for Posting of 24-Hour Notices.

Insurance Matters:

Cyber Security and Increased Crime Coverage: The Board discussed cyber security issues and the option for increasing the District's crime insurance coverage.

Insurance Committee: The Board discussed establishment of an insurance committee and determined that establishment of a committee was not necessary at this time.

Renewal of the District's insurance and Special District Association ("SDA") Membership for 2024: Following discussion, upon motion duly made by Director Hahn, seconded by Director Manish Kumar and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance and SDA membership for 2024, including an increase in the District's crime coverage limit to \$250,000.

RECORD OF PROCEEDINGS

§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, the Board determined to post the required information on the District’s website and the SDA website.

**PUBLIC
COMMENTS**

There were no public comments.

**FINANCIAL
MATTERS**

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

Fund	Period ending June 30, 2023	Period ending July 31, 2023	Period ending Aug. 31, 2023	Period ending Sept. 30, 2023
General	\$ 6,478.26	\$ 3,331.24	\$ 2,942.81	\$ 6,737.27
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Enterprise	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 6,478.26	\$ 3,331.24	\$ 2,942.81	\$ 6,737.27

Fund	Period ending Oct. 31, 2023
General	\$ 7,237.59
Debt Service	\$ -0-
Enterprise	\$ -0-
Total Claims	\$ 7,237.59

Following discussion, upon motion duly made by Director Mitch Kumar, seconded by Director Hahn and, upon vote unanimously carried, the Board ratified approval of the payment of claims.

Unaudited Financial Statements: The Board reviewed the unaudited financial statements for the period ending September 30, 2023.

Following discussion, upon motion duly made by Director Manish Kumar, seconded by Director Hahn and, upon vote unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2023.

2023 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2023 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 2023 Budget and the date, time and location of the public hearing was made in a newspaper having general circulation within the

RECORD OF PROCEEDINGS

District. No written objections were received prior to, or at, this public hearing. No public comments were received and the President closed the public hearing.

Following discussion, it was determined that an Amendment to the 2023 Budget was not necessary.

2024 Budget Hearing: The President opened the public hearing to consider the proposed 2024 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2024 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, or at, this public hearing. No public comments were received and the public hearing was closed.

Mr. Solin reviewed the estimated 2023 expenditures and the proposed 2024 expenditures.

Following discussion, upon motion duly made by Director Manish Kumar, seconded by Director Hahn and, upon vote unanimously carried, the Board approved the 2024 Budget and adopted the Resolution to Adopt the 2024 Budget and Appropriate Sums of Money and the Resolution to Set Mill Levies (General Fund at 3.340 mills and Debt Service Fund at 39.185, for a total mill levy of 43.155 mills), subject to adjustment as necessary per final legislative action, and authorized execution of the Certification of Budget. Mr. Solin was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Arapahoe County not later than January 10, 2024. Mr. Solin was further directed to transmit the Certification of Budget to the Division of Local Government not later than January 31, 2024.

DLG-70 Certification of Tax Levies Form (“Certification”): The Board discussed the preparation and filing of the Certification.

Following discussion, upon motion duly made by Director Manish Kumar, seconded by Director Hahn and, upon vote unanimously carried, the Board authorized the District Accountant to prepare and sign the Certification, and directed the District Accountant to file the Certification with the Board of County Commissioners and other interested parties.

Preparation of the 2025 Budget: The Board discussed preparation of the 2025 Budget.

Following discussion, upon motion duly made by Director Manish Kumar, seconded by Director Hahn and, upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2025 Budget. The Board determined to hold the

RECORD OF PROCEEDINGS

public hearing to consider adoption of the 2025 Budget on Thursday, November 21, 2024 at 9:00 a.m. via Zoom.

Engagement of Simmons & Wheeler, P.C. to Perform 2023 Audit: The Board entered into discussion regarding the engagement of Simmons & Wheeler, P.C. to perform the 2023 Audit.

Following discussion, upon motion duly made by Director Hahn, seconded by Director Mitch Kumar and, upon vote unanimously carried, the Board approved the engagement of Simmons & Wheeler, P.C. to perform the 2023 Audit.

Needed Refinance of Series 2015 Loan: The Board discussed the upcoming need to refinance the Outstanding Series 2015 Loan. Mr. Solin was directed to reach out to D.A. Davidson to provide an indicative loan presentation in June 2024.

Proposed Refinancing of Series 2015 Loan: The Board discussed a potential refinancing of the District's Series 2015 Loan. Following discussion, the Board directed staff to reach out to the Placement Agent for the District's Series 2015 Loan (D.A. Davidson & Co.) to request a presentation of the District's refinancing options at the next Board meeting.

LEGAL MATTERS

Resolution Amending Policy on Colorado Open Records Act Requests: Attorney Williams presented the Resolution Amending Policy on Colorado Open Records Act Requests.

Following discussion, upon motion duly made by Director Oh, seconded by Director Hahn and, upon vote unanimously carried, the Board adopted the Resolution Amending Policy on Colorado Open Records Act Requests.

OTHER MATTERS

There was no other business to discuss at this time.

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF THE STATUTORY ANNUAL MEETING OF THE PINEY CREEK VILLAGE METROPOLITAN DISTRICT HELD NOVEMBER 16, 2023

Pursuant to Section 32-1-903(6), C.R.S., a statutory annual meeting of the Piney Creek Village Metropolitan District was convened on November 16, 2023, at 8:45 a.m., via video / telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mithilesh “Mitch” Kumar, President
Gary Hahn, Treasurer
Daniel Kumsok Oh, Assistant Secretary
Manish Kumar, Assistant Secretary

Also In Attendance Were:

David Solin; Special District Management Services, Inc.
Paula Williams, Esq. and Kate Olson, Esq.; McGeady Becher P.C.

ANNUAL MEETING ITEMS

Confirmation of Posting of Annual Meeting Notice: It was noted for the record that notice of the time, date and location of the annual meeting was duly posted on the District’s website and that no objections to the means of hosting the meeting by taxpaying electors within the District’s boundaries have been received.

Presentation Regarding the Status of the Public Infrastructure Projects Within the District and Outstanding Bonds, as appropriate: The District consultants presented information regarding the status of public infrastructure projects within the District.

Unaudited Financial Statements, Including Year-to-Date Revenue and Expenditures of the District in Relation to its Adopted Budget, for the Calendar Year: The District consultants presented the District’s Unaudited Financial Statements, including year-to-date revenue and expenditures of the District in relation to the District’s adopted budget, for the calendar year.

Public Questions: There was no public in attendance.

CONCLUSION

There being no further business, the statutory annual meeting was concluded.

Respectfully submitted,

By _____
Secretary for the Annual Meeting

Piney Creek Village Metropolitan District

November-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Oh, Daniel	9.14.23	9/14/2023	9/14/2023	1000.52	Miscellaneous Expense	1690
Special Dist Mgmt Services, Inc	10.2023	10/31/2023	10/31/2023	1052.2	District Management	1614
Special Dist Mgmt Services, Inc	10.2023	10/31/2023	10/31/2023	1310.2	Accounting	1612
Special Dist Mgmt Services, Inc	10.2023	10/31/2023	10/31/2023	5.6	Miscellaneous Expense	1690
				3368.52		

Piney Creek Village Metropolitan District
November-23

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 3,368.52			\$ 3,368.52
Payroll				\$ -
Total Disbursements from Checking Acct	\$3,368.52	\$0.00	\$0.00	\$3,368.52

**Piney Creek Village Metropolitan District
December-23**

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Colorado Special Districts P&L	26161	11/27/2023	11/27/2023	\$ 671.00	Prepaid Insurance	1142
Colorado Special Districts P&L	26160	11/27/2023	11/27/2023	\$ 81.00	Prepaid Insurance	1142
McGeady Becher P.C.	607W	10/31/2023	10/31/2023	\$ 880.14	Legal	1675
Special Dist Mgmt Services, Inc	11.2023	11/30/2023	11/30/2023	\$ 976.80	District Management	1614
Special Dist Mgmt Services, Inc	11.2023	11/30/2023	11/30/2023	\$ 64.00	Election Expense	1635
Special Dist Mgmt Services, Inc	11.2023	11/30/2023	11/30/2023	\$ 715.60	Accounting	1612
Special Dist Mgmt Services, Inc	11.2023	11/30/2023	11/30/2023	\$ 4.58	Miscellaneous Expense	1690
The Villager Legals	11353	11/2/2023	11/2/2023	\$ 55.42	Miscellaneous Expense	1690
				\$ 3,448.54		

**Piney Creek Village Metropolitan District
December-23**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 3,448.54			\$ 3,448.54
Payroll	\$ 369.40			\$ 369.40
Total Disbursements from Checking Acct	\$3,817.94	\$0.00	\$0.00	\$3,817.94

Piney Creek Village Metropolitan District

January-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher P.C.	607W 12-2023	12/31/2023	12/31/2023	\$ 72.72	Legal	1675
Special Dist Mgmt Services, Inc	Dec-23	12/31/2023	12/31/2023	\$ 258.40	District Management	1614
Special Dist Mgmt Services, Inc	Dec-23	12/31/2023	12/31/2023	\$ 692.60	Accounting	1612
Special Dist Mgmt Services, Inc	Dec-23	12/31/2023	12/31/2023	\$ 57.83	Miscellaneous Expense	1690
				\$ 1,081.55		

**Piney Creek Village Metropolitan District
January-24**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 1,081.55			\$ 1,081.55
Payroll				\$ -
Total Disbursements from Checking Acct	\$1,081.55	\$0.00	\$0.00	\$1,081.55

Piney Creek Village Metropolitan District

February-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Special Dist Mgmt Services, Inc	1.2024	1/31/2024	1/31/2024	\$ 746.30	District Management	1614
Special Dist Mgmt Services, Inc	1.2024	1/31/2024	1/31/2024	\$ 1,882.30	Accounting	1612
Special Dist Mgmt Services, Inc	1.2024	1/31/2024	1/31/2024	\$ 8.92	Miscellaneous Expense	1690
				\$ 2,637.52		

**Piney Creek Village Metropolitan District
February-24**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 2,637.52			\$ 2,637.52
Payroll				\$ -
Total Disbursements from Checking Acct	\$2,637.52	\$0.00	\$0.00	\$2,637.52

Piney Creek Village Metropolitan District
March-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher P.C.	607W 07/2021	7/31/2021	7/31/2021	\$ -	Legal	1675
McGeady Becher P.C.	607W 11.2023	11/30/2023	11/30/2023	\$ 3,429.34	Legal	1675
McGeady Becher P.C.	607W 1.2024	1/31/2024	1/31/2024	\$ 696.23	Legal	1675
Special Dist Mgmt Services, Inc	2.2024	2/29/2024	2/29/2024	\$ 366.30	District Management	1614
Special Dist Mgmt Services, Inc	2.2024	2/29/2024	2/29/2024	\$ 642.20	Accounting	1612
Special Dist Mgmt Services, Inc	2.2024	2/29/2024	2/29/2024	\$ 94.87	Miscellaneous Expense	1690
Special District Association	2024 Renewal	2/15/2024	2/15/2024	\$ 289.08	Miscellaneous Expense	1690
				\$ 5,518.02		

**Piney Creek Village Metropolitan District
March-24**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 5,518.02			\$ 5,518.02
Payroll				\$ -
Total Disbursements from Checking Acct	\$5,518.02	\$0.00	\$0.00	\$5,518.02

Piney Creek Village Metropolitan District

April-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher P.C.	607W 02.2024	2/29/2024	2/29/2024	\$ 209.58	Legal	1675
Special Dist Mgmt Services, Inc	3.2024	3/31/2024	3/31/2024	\$ 550.30	District Management	1614
Special Dist Mgmt Services, Inc	3.2024	3/31/2024	3/31/2024	\$ 2,523.00	Accounting	1612
Special Dist Mgmt Services, Inc	3.2024	3/31/2024	3/31/2024	\$ 3.20	Miscellaneous Expense	1690
				\$ 3,286.08		

Piney Creek Village Metropolitan District
April-24

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 3,286.08			\$ 3,286.08
Payroll				\$ -
Total Disbursements from Checking Acct	\$3,286.08	\$0.00	\$0.00	\$3,286.08

Piney Creek Village Metropolitan District

May-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher P.C.	607W 03.2024	3/31/2024	3/31/2024	\$ 171.70	Legal	1675
Special Dist Mgmt Services, Inc	4.2024	4/30/2024	4/30/2024	\$ 451.30	District Management	1614
Special Dist Mgmt Services, Inc	4.2024	4/30/2024	4/30/2024	\$ 1,477.90	Accounting	1612
Special Dist Mgmt Services, Inc	4.2024	4/30/2024	4/30/2024	\$ 4.00	Miscellaneous Expense	1690
				\$ 2,104.90		

**Piney Creek Village Metropolitan District
May-24**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 2,104.90			\$ 2,104.90
Payroll				\$ -
Total Disbursements from Checking Acct	\$2,104.90	\$0.00	\$0.00	\$2,104.90

Piney Creek Village Metropolitan District
June-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher P.C.	607W 04.2024	4/30/2024	4/30/2024	\$ 872.63	Legal	1675
Special Dist Mgmt Services, Inc	5.2024	5/31/2024	5/31/2024	\$ 342.90	District Management	1614
Special Dist Mgmt Services, Inc	5.2024	5/31/2024	5/31/2024	\$ 1,120.30	Accounting	1612
Special Dist Mgmt Services, Inc	5.2024	5/31/2024	5/31/2024	\$ 1.80	Miscellaneous Expense	1690
US Bank	7334206	5/24/2024	5/24/2024	\$ 2,750.00	Paying Agent Fees	2668
				\$ 5,087.63		

**Piney Creek Village Metropolitan District
June-24**

	<u>General</u>	<u>Enterprise</u>	<u>Debt</u>	<u>Totals</u>
Disbursements	\$ 5,087.63			\$ 5,087.63
Payroll				\$ -
Total Disbursements from Checking Acct	\$5,087.63	\$0.00	\$0.00	\$5,087.63

PINEY CREEK VILLAGE METROPOLITAN DISTRICT
Schedule of Cash Position
March 31, 2024

	Rate	Operating	Debt Service	Total
Checking:				
Cash in Bank - FirstBank		\$ (4,604.87)	\$ -	\$ (4,604.87)
Investments:				
Cash in Bank-ColoTrust	5.4521%	62,842.97	644,751.90	707,594.87
TOTAL FUNDS:		\$ 58,238.10	\$ 644,751.90	\$ 702,990.00

2024 Mill Levy Information

General Fund	3.340
Debt Service Fund	39.815
Total	43.155

Board of Directors

Daniel Oh
Gary Hahn
Manish Kumar
Mithilesh Kumar

*authorized signer on checking account

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

March 31, 2024

PINEY CREEK VILLAGE METROPOLITAN DISTRICT
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
March 31, 2024

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>LONG-TERM DEBT</u>	<u>TOTAL MEMO ONLY</u>
Assets				
Cash in Bank - FirstBank	\$ (4,605)	\$ -	\$ -	\$ (4,605)
Cash in Bank-ColoTrust	62,843	644,752	-	707,595
Property Taxes Receivable	27,414	326,796	-	354,211
Total Current Assets	<u>85,653</u>	<u>971,548</u>	<u>-</u>	<u>1,057,201</u>
Other Debits				
Amount in Debt Service Fund	-	-	644,752	644,752
Amount to be Provided for Debt	-	-	3,685,248	3,685,248
Total Other Debits	<u>-</u>	<u>-</u>	<u>4,330,000</u>	<u>4,330,000</u>
Total Assets	<u>\$ 85,653</u>	<u>\$ 971,548</u>	<u>\$ 4,330,000</u>	<u>\$ 5,387,201</u>
Liabilities				
Payroll Taxes Payable	\$ 39	\$ -	\$ -	39
Loan Payable	-	-	4,330,000	4,330,000
Total Liabilities	<u>39</u>	<u>-</u>	<u>4,330,000</u>	<u>4,330,039</u>
Deferred Inflows of Resources				
Deferred Property Taxes	27,414	326,796	-	354,211
Total Deferred Inflows of Resources	<u>27,414</u>	<u>326,796</u>	<u>-</u>	<u>354,211</u>
Fund Balance	50,064	433,409	-	483,473
Current Year Earnings	8,135	211,343	-	219,478
Total Fund Balances	<u>58,199</u>	<u>644,752</u>	<u>-</u>	<u>702,951</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 85,653</u>	<u>\$ 971,548</u>	<u>\$ 4,330,000</u>	<u>\$ 5,387,201</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, 2024

<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	\$ 16,966	\$ 16,966	\$ 44,380	\$ (27,414)	38.2%
Specific Ownership Taxes	450	450	2,663	(2,213)	16.9%
Interest Income	632	632	1,000	(368)	63.2%
Total Revenues	<u>18,048</u>	<u>18,048</u>	<u>48,043</u>	<u>(29,995)</u>	<u>37.6%</u>
Expenditures					
Accounting	2,525	2,525	11,500	8,976	22.0%
District Management	1,113	1,113	9,500	8,387	11.7%
Audit	-	-	4,750	4,750	0.0%
Director's Fees	(400)	(400)	1,500	1,900	-26.7%
Insurance and Bonds	4,443	4,443	5,250	807	84.6%
Legal	696	696	7,000	6,304	9.9%
Miscellaneous Expense	744	744	1,000	256	74.4%
Payroll Taxes	538	538	115	(423)	467.6%
Treasurer's Fees	254	254	666	412	38.2%
Emergency Reserves	-	-	1,441	1,441	0.0%
Contingency	-	-	10,000	10,000	0.0%
Total Expenditures	<u>9,913</u>	<u>9,913</u>	<u>52,722</u>	<u>42,809</u>	<u>18.8%</u>
Excess (Deficiency) of Revenues Over Expenditures	8,135	8,135	(4,679)	12,814	
Beginning Fund Balance	50,064	50,064	54,387	(4,323)	
Ending Fund Balance	<u>\$ 58,199</u>	<u>\$ 58,199</u>	<u>\$ 49,708</u>	<u>\$ 8,491</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, 2024

<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	\$ 202,241	\$ 202,241	\$ 529,037	\$ (326,796)	38.2%
Specific Ownership Taxes	5,367	5,367	31,742	(26,375)	16.9%
Interest Income	6,769	6,769	9,000	(2,231)	75.2%
Total Revenues	<u>214,377</u>	<u>214,377</u>	<u>569,779</u>	<u>(355,402)</u>	<u>37.6%</u>
Expenditures					
Loan Principal	-	-	225,000	225,000.00	0.0%
Loan Interest	-	-	117,978	117,978.00	0.0%
Paying Agent Fees	-	-	2,750	2,750	0.0%
Contingency	-	-	5,000	5,000	0.0%
Treasurer's Fees	3,034	3,034	7,936	4,902	38.2%
Total Expenditures	<u>3,034</u>	<u>3,034</u>	<u>358,664</u>	<u>355,630</u>	<u>0.8%</u>
Excess (Deficiency) of Revenues Over Expenditures	211,343	211,343	211,115	228	
Beginning Fund Balance	433,409	433,409	416,643	16,766	
Ending Fund Balance	<u>\$ 644,752</u>	<u>\$ 644,752</u>	<u>\$ 627,758</u>	<u>\$ 16,994</u>	

RESOLUTION TO AMEND 2023 BUDGET
PINEY CREEK VILLAGE METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the Piney Creek Village Metropolitan District adopted a budget and appropriated funds for the fiscal year 2023 as follows:

General Fund	\$	51,050
Debt Service Fund:	\$	351,988

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

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

WHEREAS, funds are available for such expenditures in the General Fund from fund balance;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Piney Creek Village Metropolitan District shall and hereby does amend the adopted Budget for the fiscal year 2023 and adopts a supplemental budget and appropriation for the General Fund for the fiscal year 2023, as follows:

General Fund	\$	52,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 27th day of June, 2024.

PINEY CREEK VILLAGE METROPOLITAN
DISTRICT

By: _____
Secretary

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

GENERAL FUND
2023 Amended Budget
with 2023 Adopted Budget

	2023 Adopted Budget	2023 Amended Budget
BEGINNING FUND BALANCE	\$ 59,720	\$ 59,720
REVENUE		
Property Taxes	33,768	33,768
Specific Ownership Taxes	2,026	2,026
Interest Income	800	800
Total Revenue	36,594	36,594
Total Funds Available	96,314	96,314
EXPENDITURES		
Accounting	10,700	10,700
District Management	8,700	8,700
Audit	4,500	4,500
Director's Fees	600	600
Election Expense	1,000	1,000
Insurance and Bonds	4,000	4,000
Legal	6,500	7,450
SDA	400	400
Miscellaneous Expense	1,000	1,000
Payroll Taxes	46	46
Treasurer's Fees	507	507
Emergency Reserves	1,098	1,098
Contingency	12,000	12,000
Total Expenditures	51,050	52,000
Total Expenditures Requiring Appropriation		
	51,050	52,000
ENDING FUND BALANCE	\$ 45,264	\$ 44,314

DRAFT 6/4/24 Pend Budget Amend

**PINEY CREEK VILLAGE
METROPOLITAN DISTRICT**

Financial Statements

Year Ended December 31, 2023

with

Independent Auditors' Report

DRAFT 6/4/24 Pend Budget Amend

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DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

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

	General	Debt Service	Total	Adjustments	Statement of Net Position
ASSETS					
Cash and investments	\$ 48,586	\$ -	\$ 48,586	\$ -	\$ 48,586
Cash and investments - restricted	1,441	431,786	433,227	-	433,227
Receivable - County Treasurer	143	1,624	1,767	-	1,767
Property taxes receivable	44,380	529,037	573,417	-	573,417
Prepaid expenses	4,443	-	4,443	-	4,443
Total Assets	98,993	962,447	1,061,440	-	1,061,440
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on refunding	-	-	-	28,666	28,666
Total Deferred Outflows of Resources	-	-	-	28,666	28,666
Total Assets and Deferred Outflows of Resources	\$ 98,993	\$ 962,447	\$ 1,061,440		
LIABILITIES					
Accounts payable	\$ 4,550	\$ -	\$ 4,550	-	4,550
Accrued interest on bonds	-	-	-	9,832	9,832
Long-term liabilities:					
Due within one year	-	-	-	225,000	225,000
Due in more than one year	-	-	-	4,105,000	4,105,000
Total Liabilities	4,550	-	4,550	4,339,832	4,344,382
DEFERRED INFLOWS OF RESOURCES					
Deferred property taxes	44,380	529,037	573,417	-	573,417
Total Deferred Inflows of Resources	44,380	529,037	573,417	-	573,417
FUND BALANCES/NET POSITION					
Fund Balances:					
Nonspendable:					
Prepays	4,443	-	4,443	(4,443)	-
Restricted:					
Emergencies	1,441	-	1,441	(1,441)	-
Debt service	-	433,410	433,410	(433,410)	-
Unassigned	44,179	-	44,179	(44,179)	-
Total Fund Balances	50,063	433,410	483,473	(483,473)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 98,993	\$ 962,447	\$ 1,061,440		
Net Position:					
Restricted for:					
Emergencies				1,441	1,441
Debt service				423,578	423,578
Unrestricted				(4,252,712)	(4,252,712)
Total Net Position				\$ (3,827,693)	\$ (3,827,693)

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

DRAFT 6/4/24 Pend Budget Amend

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, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES					
General expenses:					
Accounting	\$ 11,578	\$ -	\$ 11,578	\$ -	\$ 11,578
Audit	4,200	-	4,200	-	4,200
Directors fees	900	-	900	-	900
Election expense	2,265	-	2,265	-	2,265
Insurance	3,841	-	3,841	-	3,841
Legal	13,579	-	13,579	-	13,579
Management fees	8,461	-	8,461	-	8,461
Miscellaneous expenses	5,480	-	5,480	-	5,480
Payroll taxes	8	-	8	-	8
SDA	461	-	461	-	461
Treasurer's fees	507	5,749	6,256	-	6,256
Debt Service:					
Loan principal	-	215,000	215,000	(215,000)	-
Loan interest expense	-	123,498	123,498	17,676	141,174
Paying agent fees	-	2,750	2,750	-	2,750
Total Expenditures	<u>51,280</u>	<u>346,997</u>	<u>398,277</u>	<u>(197,324)</u>	<u>200,953</u>
GENERAL REVENUES					
Property taxes	33,768	382,690	416,458	-	416,458
Specific ownership taxes	2,213	25,076	27,289	-	27,289
Interest income	2,841	29,195	32,036	-	32,036
Total General Revenues	<u>38,822</u>	<u>436,961</u>	<u>475,783</u>	<u>-</u>	<u>475,783</u>
NET CHANGES IN FUND BALANCES	(12,458)	89,964	77,506	(77,506)	
CHANGE IN NET POSITION				274,830	274,830
FUND BALANCES/NET POSITION:					
BEGINNING OF YEAR	<u>62,521</u>	<u>343,446</u>	<u>405,967</u>	<u>(4,508,490)</u>	<u>(4,102,523)</u>
END OF YEAR	<u>\$ 50,063</u>	<u>\$ 433,410</u>	<u>\$ 483,473</u>	<u>\$ (4,311,166)</u>	<u>\$ (3,827,693)</u>

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

DRAFT 6/4/24 Pend Budget Amend

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, 2023

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES				
Property taxes	\$ 33,768	\$ 33,768	\$ 33,768	\$ -
Specific ownership taxes	2,026	2,026	2,213	187
Interest income	800	800	2,841	2,041
	<u>36,594</u>	<u>36,594</u>	<u>38,822</u>	<u>2,228</u>
EXPENDITURES				
Accounting	10,700	10,700	11,578	(878)
Audit	4,500	4,500	4,200	300
Directors fees	600	600	900	(300)
Election expense	1,000	1,000	2,265	(1,265)
Insurance	4,000	4,000	3,841	159
Legal	6,500	7,450	13,579	(6,129)
Management fees	8,700	8,700	8,461	239
Miscellaneous expenses	1,000	1,000	5,480	(4,480)
Payroll taxes	45	45	8	37
SDA	400	400	461	(61)
Treasurer's fees	507	507	507	-
Contingency	12,000	12,000	-	12,000
Emergency reserve	1,098	1,098	-	1,098
	<u>51,050</u>	<u>52,000</u>	<u>51,280</u>	<u>720</u>
NET CHANGE IN FUND BALANCE	(14,456)	(15,406)	(12,458)	2,948
FUND BALANCE:				
BEGINNING OF YEAR	<u>59,720</u>	<u>59,720</u>	<u>62,521</u>	<u>2,801</u>
END OF YEAR	<u>\$ 45,264</u>	<u>\$ 44,314</u>	<u>\$ 50,063</u>	<u>\$ 5,749</u>

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

DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

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.

DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

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.

DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

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.

Subsequent to year end the District amended its appropriations in the General Fund from \$51,050 to \$1,070,000 primarily due to increased operating expenses.

GF Budget Amendment

Assets, Liabilities and Net Position:

Fair Value of Financial Instruments

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

Deposits and Investments

The District's cash and investments 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.

DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

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 net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. As of December 31, 2023, 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 net 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.

DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

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 2023.

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 \$573,417 for 2023. Since these taxes are not normally available to the District until 2024, they are classified as deferred income until 2024.

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.

DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

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 \$156,927 at December 31, 2023.

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 \$4,443 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 \$1,441 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 \$433,410 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.

DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

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 can report three categories of net position, as follows:

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

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

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

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

DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

Note 2: Cash and Investments

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

Statement of Net Position:	
Cash and investments	\$ 48,586
Cash and investments - Restricted	<u>433,227</u>
Total	\$ <u>481,813</u>

Cash and investments as of December 31, 2023, consist of the following:

Deposits with financial institutions	\$ 5,121
Investments – COLOTRUST	<u>476,692</u>
	\$ <u>481,813</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.

DRAFT 6/4/24 Pend Budget Amend

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

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, 2023, the District had the following investments:

COLOTRUST

As of December 31, 2023, the District invested in the Colorado Local Governmental Liquid Asset Trust ("COLOTRUST"), a local governmental investment vehicle established for local governmental entities in Colorado to pool surplus funds. COLOTRUST offers three investment options, one of which is COLOTRUST PLUS+. As an investment pool, COLOTRUST operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value ("NAV") of \$1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian's internal records identify the investments owned by participating governments. COLOTRUST PLUS+ records its investment at fair value and the District records its investment in COLOTRUST PLUS+ using the next asset value. There are no unfunded commitments and there is no redemption notice period. The weighted average maturity is 60 days or less and is rated AAAM by Standard & Poor's. At December 31, 2023, the District had \$476,692 invested in COLOTRUST PLUS+.

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, 2023

Note 4: Long Term Debt

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

	<u>Balance</u> <u>12-31-22</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12-31-23</u>	<u>Current</u> <u>Portion</u>
<u>Loans from direct borrowing</u> <u>and direct placements:</u>					
Refunding Loan-Series 2015	\$ 4,545,000	\$ -	\$ 215,000	\$ 4,330,000	\$ 225,000
Total Long-term Debt	<u>\$ 4,545,000</u>	<u>\$ -</u>	<u>\$ 215,000</u>	<u>\$ 4,330,000</u>	<u>\$ 225,000</u>

A description of the long-term obligations as of December 31, 2023, 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 interest 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, 2023

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, 2023

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, 2023:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 225,000	\$ 117,978	\$ 342,978
2025	<u>4,105,000</u>	<u>74,259</u>	<u>4,179,259</u>
	<u>\$ 4,330,000</u>	<u>\$ 192,237</u>	<u>\$ 4,522,237</u>

The District had no unused lines of credit as of December 31, 2023.

Note 5: Debt Authorization

As of December 31, 2023, 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 2024.

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PINEY CREEK VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

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, 2023

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 may 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 may 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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SUPPLEMENTARY 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, 2023

	Original and <u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Property taxes	\$ 382,690	\$ 382,690	\$ -
Specific ownership taxes	22,961	25,076	2,115
Interest income	<u>9,000</u>	<u>29,195</u>	<u>20,195</u>
Total Revenues	<u>414,651</u>	<u>436,961</u>	<u>22,310</u>
EXPENDITURES			
Loan principal	215,000	215,000	-
Loan interest expense	123,498	123,498	-
Paying agent fees	2,750	2,750	-
Contingency	5,000	-	5,000
Treasurer's fees	<u>5,740</u>	<u>5,749</u>	<u>(9)</u>
Total Expenditures	<u>351,988</u>	<u>346,997</u>	<u>4,991</u>
NET CHANGE IN FUND BALANCE	62,663	89,964	27,301
FUND BALANCE:			
BEGINNING OF YEAR	<u>338,495</u>	<u>343,446</u>	<u>4,951</u>
END OF YEAR	<u>\$ 401,158</u>	<u>\$ 433,410</u>	<u>\$ 32,252</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, 2023

<u>Year Ended</u> <u>December 31,</u>	<u>Prior</u> <u>Year Assessed</u> <u>Valuation</u> <u>for Current</u> <u>Year Property</u> <u>Tax Levy</u>	<u>Mills Levied</u>		<u>Total Property Tax</u>		<u>Percent</u> <u>Collected</u> <u>to Levied</u>
		<u>General Fund</u>	<u>Debt Service</u>	<u>Levied</u>	<u>Collected</u>	
2003	\$ 1,894,570	37.000	0.000	\$ 70,099	\$ 69,664	99.38%
2004	\$ 3,359,730	37.000	0.000	\$ 124,310	\$ 120,475	96.91%
2005	\$ 4,384,570	42.550	0.000	\$ 186,563	\$ 186,563	100.00%
2006	\$ 5,643,470	2.550	40.000	\$ 240,130	\$ 240,130	100.00%
2007	\$ 8,491,620	2.550	40.000	\$ 361,318	\$ 361,319	100.00%
2008	\$ 10,377,960	2.550	40.000	\$ 441,582	\$ 441,265	99.93%
2009	\$ 10,352,350	2.550	40.000	\$ 440,492	\$ 440,286	99.95%
2010	\$ 8,427,110	4.000	40.000	\$ 370,793	\$ 369,392	99.62%
2011	\$ 8,405,700	4.000	40.000	\$ 369,851	\$ 369,851	100.00%
2012	\$ 7,659,960	4.500	48.000	\$ 402,148	\$ 402,148	100.00%
2013	\$ 7,694,120	4.500	55.000	\$ 457,800	\$ 457,800	100.00%
2014	\$ 8,322,670	5.500	54.000	\$ 495,199	\$ 494,151	99.79%
2015	\$ 8,330,099	5.500	54.000	\$ 495,641	\$ 495,641	100.00%
2016	\$ 9,331,398	3.000	34.000	\$ 345,262	\$ 345,264	100.00%
2017	\$ 9,345,357	3.011	34.000	\$ 345,881	\$ 345,881	100.00%
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%
2021	\$ 10,275,559	3.340	37.852	\$ 423,270	\$ 423,271	100.00%
2022	\$ 10,117,588	3.340	37.852	\$ 416,764	\$ 416,764	100.00%
2023	\$ 10,110,162	3.340	37.852	\$ 416,458	\$ 416,458	100.00%
Estimated for year ending December 31, 2024	\$ 13,287,367	3.340	39.815	\$ 573,417		

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.