

**PRONGHORN VALLEY METROPOLITAN DISTRICT
ANNUAL REPORT
TO
THE CITY OF AURORA**

FISCAL YEAR ENDING DECEMBER 31, 2021

Pursuant to the Pronghorn Valley Metropolitan District Service Plan, the District is required to provide an annual report to the City of Aurora no later than August 1st of each year following 2017, the year in which the District was organized. Such annual report shall include information concerning the following matters:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.
2. Intergovernmental Agreements either entered into or proposed as of December 31 of the prior year.
3. Copies of the District's rules and regulations, if any, as of December 31 of the prior year.
4. A summary of any litigation which involves any of the District's Public Improvements as of December 31 of the prior year.
5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.
6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.
7. The assessed valuation of the District for the current year.
8. Current year budget including a description of the Public Improvements to be constructed in such year.
9. Audit of the District financial statements for the year ending December 31 of the previous year prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.
10. Notice of any uncured events of noncompliance by the District under any Debt instrument, which continue beyond a 90-day period.
11. Any inability of a District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a 90-day period.

For the year ending December 31, 2021, the District makes the following report:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.

None.

2. Intergovernmental Agreement either entered into or proposed as of December 31 of the prior year.

None.

3. Copies of the District's rules and regulations, if any, as of December 31 of the prior year.

None.

4. A summary of any litigation which involves any of the District's Public Improvements as of December 31 of the prior year.

None.

5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.

The District continued to finance and construct public improvements during 2021 in accordance with its Service Plan.

6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.

During 2021, Aurora Water accepted various sanitary sewer, storm sewer, and water main lines and pond infrastructure. In addition, the Pomeroy West median to be owned and maintained by the City was substantially completed on December 15, 2021.

7. The assessed valuation of the District for the current year.

The assessed valuation of the District for the year 2021 was \$1,897,486.

8. Current year budget including a description of the Public Improvements to be constructed in such year.

The 2022 Budget is enclosed as Exhibit A. Public improvements anticipated to be constructed by the District in 2022 include various paving, walkways, and traffic control signals for Elk Way and South Aurora Parkway, and other walking trails and pond outlets within the District.

9. Audit of the District financial statements for the year ending December 31 of the previous year prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

The District is in the process of obtaining an audit extension approval.

10. Notice of any uncured events of noncompliance by the District under any Debt instrument, which continue beyond a 90-day period.

None.

11. Any inability of a District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a 90-day period.

None.

EXHIBIT A
2022 Budget Attached

PRONGHORN VALLEY METROPOLITAN DISTRICT
2022
BUDGET MESSAGE

Attached please find a copy of the adopted 2022 budget for the Pronghorn Valley Metropolitan District.

The Pronghorn Valley Metropolitan District has adopted three funds, a General Fund to provide for general operating and maintenance expenditures; a Debt Service Fund to provide for payments on the general obligation debt; and a Capital Projects Fund to provide for the estimated infrastructure costs that are to be built by the district.

The district's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the district in 2022 will be property taxes, specific ownership taxes. In 2022, the district intends to impose a 65.805 mill levy on property within the district, of which 10.000 mills will be dedicated to the General Fund and the balance of 55.805 mills will be allocated to the Debt Service Fund. 1.032 mills of the 55.805 mills dedicated to the Debt Service Fund is restricted for regional improvements per an intergovernmental agreement with SARIA.

Pronghorn Valley Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Estimate <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ 13,868	\$ -	\$ 4,538	\$ 4,538	\$ -
Revenues:					
Property Taxes	11,133	11,131	11,133	11,133	18,975
Specific Ownership Taxes	789	668	253	667	1,139
Developer advances	-	34,852	-	12,149	46,285
	<u>11,922</u>	<u>46,651</u>	<u>11,386</u>	<u>23,949</u>	<u>66,399</u>
Total revenues					
	<u>11,922</u>	<u>46,651</u>	<u>11,386</u>	<u>23,949</u>	<u>66,399</u>
Total funds available	<u>25,790</u>	<u>46,651</u>	<u>15,924</u>	<u>28,487</u>	<u>66,399</u>
Expenditures:					
Legal	11,788	20,000	3,064	14,613	20,000
Accounting / auditing	4,754	15,000	2,390	11,560	20,000
Insurance	2,047	3,000	2,369	2,047	3,000
Election expenses	-	-	-	-	5,000
Miscellaneous	2,195	1,000	50	100	1,000
Dues and membership	301	500	-	-	500
Director fees	-	400	-	-	400
Payroll taxes	-	30	-	-	30
Operations and maintenance	-	5,200	-	-	5,200
Treasurer's Fees	167	167	167	167	285
Emergency Reserve	-	1,354	-	-	1,654
	<u>21,252</u>	<u>46,651</u>	<u>8,040</u>	<u>28,487</u>	<u>57,069</u>
Total expenditures					
	<u>21,252</u>	<u>46,651</u>	<u>8,040</u>	<u>28,487</u>	<u>57,069</u>
Ending fund balance	<u>\$ 4,538</u>	<u>\$ -</u>	<u>\$ 7,884</u>	<u>\$ -</u>	<u>\$ 9,330</u>
Assessed valuation		<u>\$ 1,113,092</u>			<u>\$ 1,897,486</u>
Mill Levy		<u>10.000</u>			<u>10.000</u>

**Pronghorn Valley Metropolitan District
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Estimate <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ 8,198,634
Revenues:					
Developer advances	-	-	13,349	-	-
Interest income	-	-	-	1,000	5,000
Bond proceeds	-	10,484,000	-	20,449,000	-
	<u>-</u>	<u>10,484,000</u>	<u>-</u>	<u>20,449,000</u>	<u>-</u>
Total revenues	<u>-</u>	<u>10,484,000</u>	<u>13,349</u>	<u>20,450,000</u>	<u>5,000</u>
Total funds available	<u>-</u>	<u>10,484,000</u>	<u>13,349</u>	<u>20,450,000</u>	<u>8,203,634</u>
Expenditures:					
Transfer to Debt Service	-	2,190,575	-	3,712,591	-
Cost of issuance	-	472,570	13,349	717,920	-
Capital outlay	-	7,820,855	-	7,820,855	8,203,634
	<u>-</u>	<u>7,820,855</u>	<u>-</u>	<u>7,820,855</u>	<u>8,203,634</u>
Total expenditures	<u>-</u>	<u>10,484,000</u>	<u>13,349</u>	<u>12,251,366</u>	<u>8,203,634</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,198,634</u>	<u>\$ -</u>

Pronghorn Valley Metropolitan District
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Estimate <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ 2,248,747	\$ 58,839	\$ 58,839	\$ 3,605,092
Revenues:					
Property taxes	55,667	55,655	55,667	55,667	103,931
Property taxes - SARIA	1,113	1,113	1,113	1,113	1,958
Specific ownership taxes	3,945	3,339	1,825	3,340	6,236
Specific ownership taxes - SARIA	79	67	37	67	117
Interest income	-	1,000	-	-	1,000
Transfer from Capital Projects	-	2,190,575	-	3,712,591	-
Total revenues	<u>60,804</u>	<u>2,251,749</u>	<u>58,642</u>	<u>3,772,778</u>	<u>113,242</u>
Total funds available	<u>60,804</u>	<u>4,500,496</u>	<u>117,481</u>	<u>3,831,617</u>	<u>3,718,334</u>
Expenditures:					
Bond interest expense	-	505,533	-	224,510	741,500
Regional Mill levy	1,113	1,163	1,113	1,163	2,046
Trustee fees	-	10,000	-	-	10,000
Treasurer's Fees	835	835	835	835	1,559
Treasurer's Fees - SARIA	17	17	17	17	29
Total expenditures	<u>1,965</u>	<u>517,548</u>	<u>1,965</u>	<u>226,525</u>	<u>755,134</u>
Ending fund balance	<u>\$ 58,839</u>	<u>\$ 3,982,948</u>	<u>\$ 115,516</u>	<u>\$ 3,605,092</u>	<u>\$ 2,963,200</u>
Surplus requirement (minimum)		<u>\$ 919,500</u>			<u>\$ 919,500</u>
Assessed valuation		<u>\$ 1,113,092</u>			<u>\$ 1,897,486</u>
Mill Levy		<u>50.000</u>			<u>54.773</u>
Regional Mill levy		<u>1.000</u>			<u>1.032</u>
Total Mill Levy		<u>61.000</u>			<u>65.805</u>