

**GOODMAN METROPOLITAN DISTRICT  
Arapahoe County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2020**

**GOODMAN METROPOLITAN DISTRICT  
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Board of Directors  
Goodman Metropolitan District  
Arapahoe County, Colorado

### Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of Goodman Metropolitan District, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

#### ***Auditor's Responsibility***

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

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

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

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Goodman Metropolitan District as of December 31, 2020, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other-Matters***

### *Required Supplementary Information*

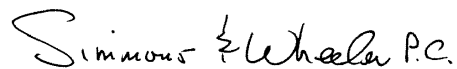
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required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

### *Other Information*

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

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

The continuing disclosure annual financial information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

 Simmons & Wheeler P.C.

Englewood, CO  
June 4, 2021

## **BASIC FINANCIAL STATEMENTS**

**GOODMAN METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2020**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 1,518,224
Cash and Investments - Restricted	1,075,161
Receivable - County Treasurer	8,432
Property Taxes Receivable	1,543,470
Prepaid Expenses	12,254
Capital Assets:	
Capital Assets, Not Being Depreciated	2,297,933
Capital Assets, Net of Accumulated Depreciation	<u>2,696,027</u>
Total Assets	<u>9,151,501</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>291,379</u>
Total Liabilities	291,379
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Property Taxes	<u>1,543,470</u>
Total Deferred Inflows of Resources	1,543,470
<b>NET POSITION</b>	
Net Investment in Capital Assets	4,993,960
Restricted For:	
Emergency Reserves	56,000
Central Park Improvements	69,012
Highridge Park Improvements	722,414
Unrestricted	<u>1,475,266</u>
Total Net Position	<u><u>\$ 7,316,652</u></u>

See accompanying Notes to Basic Financial Statements.

**GOODMAN METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2020**

		Program Revenues			Net Revenues (Expense) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Government Activities:					
General Government	\$ 805,975	\$ 17,430	\$ 31,513	\$ -	\$ (757,032)
Total Governmental Activities	\$ 805,975	\$ 17,430	\$ 31,513	\$ -	(757,032)
<b>GENERAL REVENUES</b>					
Property Taxes					1,727,346
Specific Ownership Taxes					122,410
Other Income					2,468
Net Investment Income					13,653
Total General Revenues					1,865,877
<b>CHANGE IN NET POSITION</b>					1,108,845
Net Position - Beginning of Year					6,207,807
<b>NET POSITION - END OF YEAR</b>					\$ 7,316,652

See accompanying Notes to Basic Financial Statements.

**GOODMAN METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2020**

	General	Conservation Trust	Central Park Grants and Improvements	Highridge Park Improvements	Capital Replacement	Total Governmental Funds
<b>ASSETS</b>						
Cash and Investments	\$ 1,006,044	\$ -	\$ -	\$ -	\$ 512,180	\$ 1,518,224
Cash and Investments - Restricted	56,000	-	294,947	724,214	-	1,075,161
Receivable - County Treasurer	8,432	-	-	-	-	8,432
Property Tax Receivable	1,543,470	-	-	-	-	1,543,470
Prepaid Expenses	12,254	-	-	-	-	12,254
Total Assets	<u>\$ 2,626,200</u>	<u>\$ -</u>	<u>\$ 294,947</u>	<u>\$ 724,214</u>	<u>\$ 512,180</u>	<u>\$ 4,157,541</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 63,644	\$ -	\$ 225,935	\$ 1,800	\$ -	\$ 291,379
Total Liabilities	63,644	-	225,935	1,800	-	291,379
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Tax Revenue	1,543,470	-	-	-	-	1,543,470
Total Deferred Inflows of Resources	1,543,470	-	-	-	-	1,543,470
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid Expenses	12,254	-	-	-	-	12,254
Restricted For:						
Emergencies (TABOR)	56,000	-	-	-	-	56,000
Highridge Park	-	-	-	722,414	-	722,414
Central Park	-	-	69,012	-	-	69,012
Assigned:						
Capital Project	-	-	-	-	512,180	512,180
Subsequent Year's Expenditures	328,930	-	-	-	-	328,930
Unassigned:	621,902	-	-	-	-	621,902
Total Fund Balances	<u>1,019,086</u>	<u>-</u>	<u>69,012</u>	<u>722,414</u>	<u>512,180</u>	<u>2,322,692</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,626,200</u>	<u>\$ -</u>	<u>\$ 294,947</u>	<u>\$ 724,214</u>	<u>\$ 512,180</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Net Position of Governmental Activities

4,993,960  
\$ 7,316,652

See accompanying Notes to Basic Financial Statements.

**GOODMAN METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2020**

	General	Conservation Trust	Central Park Grants and Improvements	Highridge Park Improvements	Capital Replacement	Total Governmental Funds
<b>REVENUES</b>						
Property Taxes	\$ 1,727,346	\$ -	\$ -	\$ -	\$ -	\$ 1,727,346
Specific Ownership Taxes	122,410	-	-	-	-	122,410
Net Investment Income	7,851	28	-	-	5,774	13,653
Lease Revenue (Cell Tower)	14,400	-	-	-	-	14,400
Lottery Proceeds	-	31,513	-	-	-	31,513
Reimbursed Expenditures	-	-	-	-	-	-
Park Fees	3,030	-	-	-	-	3,030
Other Income	2,468	-	-	-	-	2,468
Total Revenues	<u>1,877,505</u>	<u>31,541</u>	<u>-</u>	<u>-</u>	<u>5,774</u>	<u>1,914,820</u>
<b>EXPENDITURES</b>						
General, Administrative and Operations:						
Accounting	25,982	-	-	-	-	25,982
Audit	3,500	-	-	-	-	3,500
County Treasurer's Fees	25,938	-	-	-	-	25,938
Director Fees	3,300	-	-	-	-	3,300
Director Expense and Equipment	749	-	-	-	-	749
Dues and Subscriptions	791	-	-	-	-	791
Elections	1,356	-	-	-	-	1,356
Insurance and Bonds	12,009	-	-	-	-	12,009
Legal Services	52,980	-	-	-	-	52,980
Miscellaneous	2,114	-	-	-	-	2,114
Facility Management	10,200	-	-	-	-	10,200
Landscape Maintenance	213,620	-	-	-	-	213,620
Park Maintenance	24,336	-	-	-	-	24,336
Sports Field Management	6,100	-	-	-	-	6,100
Utilities	165,762	-	-	-	-	165,762
Website Maintenance	1,950	-	-	-	-	1,950
Capital:						
Capital Outlay	44,363	-	-	-	-	44,363
Projects Fund Expenditures	-	-	454,421	77,586	-	532,007
Total Expenditures	<u>595,050</u>	<u>-</u>	<u>454,421</u>	<u>77,586</u>	<u>-</u>	<u>1,127,057</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,282,455	31,541	(454,421)	(77,586)	5,774	787,763
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating Transfers In	31,541	-	-	800,000	150,000	981,541
Operating Transfers Out	(950,000)	(31,541)	-	-	-	(981,541)
Total Other Financing Sources (Uses)	<u>(918,459)</u>	<u>(31,541)</u>	<u>-</u>	<u>800,000</u>	<u>150,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	363,996	-	(454,421)	722,414	155,774	787,763
Fund Balances - Beginning of Year	655,090	-	523,433	-	356,406	1,534,929
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,019,086</u>	<u>\$ -</u>	<u>\$ 69,012</u>	<u>\$ 722,414</u>	<u>\$ 512,180</u>	<u>\$ 2,322,692</u>

See accompanying Notes to Basic Financial Statements.

**GOODMAN METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ 787,763

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay	543,585
Depreciation Expense	<u>(222,503)</u>

Change in Net Position of Governmental Activities \$ 1,108,845

**GOODMAN METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 1,727,376	\$ 1,727,346	\$ (30)
Specific Ownership Taxes	103,645	122,410	18,765
Interest Income	15,000	7,851	(7,149)
Park Fees	8,000	3,030	(4,970)
Lease Revenue (Cell Tower)	14,400	14,400	-
Other Income	-	2,468	2,468
Total Revenues	<u>1,868,421</u>	<u>1,877,505</u>	<u>9,084</u>
<b>EXPENDITURES</b>			
Accounting	32,000	25,982	6,018
Audit	3,500	3,500	-
County Treasurer's Fee	25,911	25,938	(27)
Directors' Fee	3,000	3,300	(300)
Director Expenses and Equipment	2,000	749	1,251
Dues and Subscriptions	1,000	791	209
Insurance and Bonds	15,000	12,009	2,991
Sports Field Management	6,600	6,100	500
Facility management	10,200	10,200	-
Legal	55,000	52,980	2,020
Landscape Maintenance	298,000	213,620	84,380
Park Maintenance	118,000	24,336	93,664
Utilities	163,000	165,762	(2,762)
Miscellaneous	2,500	2,114	386
Website Maintenance	2,000	1,950	50
Election	20,000	1,356	18,644
Capital Outlay	100,000	44,363	55,637
Contingency	7,289	-	7,289
Total Expenditures	<u>865,000</u>	<u>595,050</u>	<u>269,950</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,003,421	1,282,455	279,034
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers From Other Funds	35,100	31,541	(3,559)
Transfer to Other Funds	(950,000)	(950,000)	-
Total Other Financing Sources (Uses)	<u>(914,900)</u>	<u>(918,459)</u>	<u>(3,559)</u>
<b>NET CHANGE IN FUND BALANCE</b>	88,521	363,996	275,475
Fund Balance - Beginning of Year	<u>514,144</u>	<u>655,090</u>	<u>140,946</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 602,665</u>	<u>\$ 1,019,086</u>	<u>\$ 416,421</u>

See accompanying Notes to Basic Financial Statements.

**GOODMAN METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND – CONSERVATION TRUST  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
CTF Proceeds	\$ 35,000	\$ 31,513	\$ (3,487)
Interest Income	100	28	(72)
Total Revenues	<u>35,100</u>	<u>31,541</u>	<u>(3,559)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	35,100	31,541	(3,559)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer to Other Funds	(35,100)	(31,541)	3,559
Total Other Financing Sources (Uses)	<u>(35,100)</u>	<u>(31,541)</u>	<u>3,559</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Goodman Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court for Arapahoe County on November 22, 1994, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a service plan approved by Arapahoe County (the County). The District was established to finance, construct, own and maintain public streets, drainage, parks and recreation services and facilities for "The Farm at Arapahoe County" development (unless and until the obligation is assumed by another unit of government or homeowners' association). As set forth in its Service Plan and the approval from the County, the District is limited to issue no more than \$5 million in debt without prior approval of the County. It has limited its property tax mill levy rate to no more than 20 mills for debt service (subject to adjustment to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation and increases approved by the voters for operating levies). As of December 31, 2019, there is no remaining debt authorized per the Service Plan.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set 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 District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees and all operations and administrative functions are contracted.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

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.

Separate financial statements are provided for governmental funds. 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 related cash flows.

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes and grant reimbursement. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred, or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Special Revenue Fund is used to account for conservation trust revenues and expenditures incurred for eligible costs.

The Capital Projects Fund - Central Park Grant and Improvements is used to account for grant proceeds and expenditures incurred for eligible costs.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)**

The Capital Projects Fund - Highridge Park Improvements is used to account for financial resources to be used for the acquisition and construction of capital equipments.

The Capital Replacement Fund is used to account for financial resources accumulated for the repair and replacement of capital assets that will be maintained by the District.

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. 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 District has amended its annual budget for the year ended December 31, 2020.

**Pooled Cash and Investments**

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 single bank account. 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.

Investments are carried at fair value.

**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 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are 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 inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

Capital assets, which includes property, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported by the District. Capital assets are generally defined by the District as assets with an initial individual or group cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset 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. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Gazebos	15 Years
Irrigation System	15 Years
Bridge and Walkways	15 Years
Playground Equipment	15 Years
Park Trash Cans	10 Years
Tennis Court Resurfacing	10 Years
Ball Field Improvements	10 Years
Park Benches and Pads	20 Years
Trails	10 Years
Park Improvements	20 Years

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports 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 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. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Equity**

**Net Position**

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the government's practice to use restricted resources first, then unrestricted resources as they are needed.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Net Position (Continued)**

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

*Net Investment in Capital Assets* – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component.

*Restricted* – This component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.

*Unrestricted* – The component of net position that does not meet the definitions above.

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

*Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

*Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by 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.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance (Continued)**

*Assigned Fund Balance* – The portion of fund balance that is constrained by the government’s intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

*Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

**NOTE 3 CASH AND INVESTMENTS**

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

Statement of Net Position:

Cash and Investments	\$ 1,518,224
Cash and Investments - Restricted	1,075,161
Total Cash and Investments	\$ 2,593,385

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

Deposits with Financial Institutions	\$ 8,271
Investments	2,585,114
Total Cash and Investments	\$ 2,593,385

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. 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 for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of 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.

At December 31, 2020, the District’s cash deposits had a bank balance and a carrying balance of \$8,271.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments**

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- \* Local government investment pools

As of December 31, 2020, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted Average Under 60 Days	\$ 2,585,114
		<u>\$ 2,585,114</u>

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**COLOTRUST**

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities 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 any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 4 CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2020 follows:

	Balance - December 31, 2019	Increases	Decreases	Balance - December 31, 2020
Capital Assets, Not Being Depreciated:				
Land	\$ 1,511,216	\$ -	\$ -	\$ 1,511,216
Construction in Progress	254,710	532,007	-	786,717
Total Capital Assets, Not Being Depreciated	1,765,926	532,007	-	2,297,933
Capital Assets, Being Depreciated:				
Gazebos	98,120	-	-	98,120
Irrigation System	85,273	11,578	-	96,851
Bridge and Walkways	34,153	-	-	34,153
Playground Equipment	408,000	-	-	408,000
Parks	2,610,980	-	-	2,610,980
Tennis Court	8,300	-	-	8,300
Ball Field Improvements	41,781	-	-	41,781
Trails and Sidewalks	495,321	-	-	495,321
Total Capital Assets, Being Depreciated	3,781,928	11,578	-	3,793,506
Less Accumulated Depreciation For:				
Gazebos	98,117	-	-	98,117
Irrigation System	25,281	5,969	-	31,250
Bridge and Walkways	18,475	2,091	-	20,566
Playground Equipment	231,200	27,200	-	258,400
Parks	282,346	132,702	-	415,048
Tennis Court	5,395	830	-	6,225
Ball Field Improvements	27,157	4,178	-	31,335
Trails and Sidewalks	187,005	49,533	-	236,538
Total Accumulated Depreciation	874,976	222,503	-	1,097,479
Total Capital Assets, Being Depreciated, Net	2,906,952	(210,925)	-	2,696,027
Governmental Activities Capital Assets, Net	<u>\$ 4,672,878</u>	<u>\$ 321,082</u>	<u>\$ -</u>	<u>\$ 4,993,960</u>

Depreciation expense was charged to functions/program of the District as follows:

Governmental Activities:	
General Government	<u>\$ 222,503</u>

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 5 NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2020, the District had a net investment in capital assets of \$4,993,960.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

The District had restricted net position as of December 31, 2020 as follows:

Restricted Net Position:	
Emergency Reserve	\$ 56,000
Central Park	69,012
Highridge Park	<u>722,414</u>
Total Restricted Net Position	<u><u>\$ 847,426</u></u>

The Conservation Trust Fund represents the net unspent proceeds received from the State Lottery for the Conservation Trust Fund. Changes in the Conservation Trust Fund are as follows:

Balance - December 31, 2019	\$ -
Entitlement	31,513
Interest Earned	28
Capital Outlay Expenditures - Park and Recreation Maintenance, Upgrades and Improvements	<u>(31,541)</u>
Balance - December 31, 2020	<u><u>\$ -</u></u>

**NOTE 6 RELATED PARTIES**

The Developer of the property which constitutes the District is The Farm Development Company (the Developer). One member of the Board of Directors of the District is an employee of, owner of or is otherwise associated with the Developer and may have conflicts of interest in dealing with the District.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 7 AGREEMENTS**

**Intergovernmental Agreements**

**Phase II Improvements**

On December 19, 2000, the District entered into an agreement with Arapahoe County to identify certain public infrastructure improvements to be jointly funded by the County and the District and the allocation of the costs thereof between the Parties, to establish dates regarding the phasing thereof, and to establish the process by which such public infrastructure improvements will be designed, funded, and constructed. This Agreement governed the construction of Phase I of the East Arapahoe Road Improvements. The Parties agree to enter into an amendment to this Agreement to govern the construction of the Phase II Improvements following good faith negotiations regarding the scope and cost of that phase of the project.

**NOTE 8 TRANSFERS**

The District transferred from the General Fund to the Highridge Park Improvements Fund for the purposes of funding the District's share of the project.

The District transferred from the Special Revenue Fund – Conservation Trust to the General Fund to cover the related expenses paid out of the General Fund.

The District transferred from the General Fund to the Capital Replacement Fund to reserve for capital improvements.

**NOTE 9 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool 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.

**GOODMAN METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's 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 1, 1994, a majority of the District's electors approved a property tax revenue increase of \$32,000 per year, to pay, in part, the District's general cost of operations and maintenance without limitation of rate and without regard to any limitations under TABOR.

On November 5, 1996, a majority of the District's electors approved a property tax revenue increase of \$200,000 per year, as adjusted for inflation plus annual local growth in each subsequent fiscal year thereafter, to pay, in part, the District's general cost of operations and maintenance without limitation of rate and without regard to any limitations under TABOR.

On November 6, 2018, a majority of the District's electors authorized the collection, retention, and sending of revenues from any source other than property taxes without regard to any limitations under TABOR.

## **SUPPLEMENTARY INFORMATION**

**GOODMAN METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND – CENTRAL PARK GRANT AND IMPROVEMENTS –  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budgets	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Total Revenues	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Phase II Improvements	500,000	454,421	45,579
Total Expenditures	<u>500,000</u>	<u>454,421</u>	<u>45,579</u>
<b>NET CHANGE IN FUND BALANCE</b>	(500,000)	(454,421)	45,579
Fund Balance - Beginning of Year	<u>500,000</u>	<u>523,433</u>	<u>1,023,433</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ 69,012</u></u>	<u><u>\$ 1,069,012</u></u>

**GOODMAN METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND – HIGHRIDGE PARK IMPROVEMENTS –  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Total Revenues	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Phase I Improvements	-	100,000	77,586	22,414
Total expenditures	-	100,000	77,586	22,414
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(100,000)	(77,586)	22,414
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from Other Funds	800,000	800,000	800,000	-
Total Other Financing Sources (Uses)	800,000	800,000	800,000	-
<b>NET CHANGE IN FUND BALANCE</b>	800,000	700,000	722,414	22,414
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 800,000</u>	<u>\$ 700,000</u>	<u>\$ 722,414</u>	<u>\$ 22,414</u>

**GOODMAN METROPOLITAN DISTRICT  
CAPITAL REPLACEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Interest Income	\$ 12,500	\$ 5,774	\$ (6,726)
Total Revenues	<u>12,500</u>	<u>5,774</u>	<u>(6,726)</u>
<b>EXPENDITURES</b>			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	12,500	5,774	(6,726)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from Other Funds	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>150,000</u>	<u>150,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	162,500	155,774	(6,726)
Fund Balance - Beginning of Year	<u>354,645</u>	<u>356,406</u>	<u>1,761</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 517,145</u></u>	<u><u>\$ 512,180</u></u>	<u><u>\$ (4,965)</u></u>

## **OTHER INFORMATION**

**GOODMAN METROPOLITAN DISTRICT  
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
YEAR ENDED DECEMBER 31, 2020**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	Mills Levied	Total Property Taxes		Percentage Collected to Levied
			Levied	Collected (a)	
2016	\$ 51,773,531	33.000	\$ 1,708,526	\$ 1,708,878	100.02 %
2017	51,768,490	34.000	1,760,129	1,760,129	100.00
2018	55,077,280	27.250	1,500,856	1,500,795	99.99
2019	55,164,473	27.250	1,503,232	1,503,466	100.02
2020	63,389,941	27.250	1,727,346	1,727,346	100.00
Estimated for the Year Ending December 31, 2021	\$ 63,648,259	24.250	\$ 1,543,470		

Note: Property taxes shown as collected in any one year may include collection of delinquent property taxes assessed in prior years. This presentation does not attempt to identify specific years of assessment.