

INDIANA VALLEY METROPOLITAN DISTRICT
Jefferson County, Colorado

FINANCIAL STATEMENTS
DECEMBER 31, 2020

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Board of Directors
Indiana Valley Metropolitan District
Jefferson County, Colorado

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the Indiana Valley 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 the Indiana Valley 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

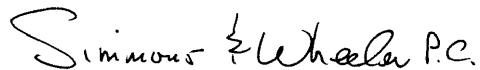
Required Supplementary Information

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 Indiana Valley 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.

 Simmons & Wheeler P.C.

Englewood, CO
July 28, 2021

BASIC FINANCIAL STATEMENTS

**INDIANA VALLEY METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
December 31, 2020**

ASSETS

Cash and investments - unrestricted	\$ 35,480
Cash and investments - restricted	2,420,145
Accounts receivable	4,446
PIF revenue receivable	676,951
Prepaid expenses	445
Capital assets, not being depreciated	897,207
Capital assets, being depreciated (net of accumulated depreciation)	<u>31,293,117</u>
Total assets	<u>35,327,791</u>

LIABILITIES

Accounts payable	78,566
Accrued interest payable - loan	137,751
Due in one year	940,000
Due in more than one year	<u>37,330,000</u>
Total liabilities	<u>38,486,317</u>

NET POSITION

Net investment in capital assets	(5,940,526)
Restricted for emergencies	4,712
Restricted for debt service	1,935,275
Restricted for capital projects, improvements and repairs	914,636
Unrestricted	<u>(72,623)</u>
Total net position	<u>\$ (3,158,526)</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**INDIANA VALLEY METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES
Year Ended December 31, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
General government	\$ 1,566,619	\$ 52,054	\$ -	\$ -	\$ (1,514,565)
Interest and fiscal charges	2,107,300	-	-	-	(2,107,300)
	<u>\$ 3,673,919</u>	<u>\$ 52,054</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(3,621,865)</u>
General revenues:					
Public improvement fees					2,937,421
Net investment income					4,795
Total general revenues					<u>2,942,216</u>
Change in net position					(679,649)
Net position - Beginning					<u>(2,478,877)</u>
Net position - Ending					<u>\$ (3,158,526)</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**INDIANA VALLEY METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2020**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>IV PIC Capital Projects</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and investments - unrestricted	\$ 35,480	\$ -	\$ -	\$ -	\$ 35,480
Cash and investments - restricted	-	1,396,075	139,150	884,920	2,420,145
Due from other funds	102,548	-	-	-	102,548
Accounts receivable	4,446	-	-	-	4,446
PIF revenue receivable	-	676,951	-	-	676,951
Prepaid expenditures	445	-	-	-	445
TOTAL ASSETS	<u>\$ 142,919</u>	<u>\$ 2,073,026</u>	<u>\$ 139,150</u>	<u>\$ 884,920</u>	<u>\$ 3,240,015</u>
LIABILITIES					
Accounts payable	\$ 71,680	\$ -	\$ -	\$ 6,886	\$ 78,566
Due to other funds	-	-	102,548	-	102,548
TOTAL LIABILITIES	<u>71,680</u>	<u>-</u>	<u>102,548</u>	<u>6,886</u>	<u>181,114</u>
FUND BALANCES					
Nonspendable:					
Prepaid items	445	-	-	-	445
Restricted for:					
Emergencies	4,712	-	-	-	4,712
Debt service	-	2,073,026	-	-	2,073,026
Capital projects, improvements and repairs	-	-	36,602	878,034	914,636
Assigned for:					
Subsequent year's expenditures	58,284	-	-	-	58,284
Unassigned	7,798	-	-	-	7,798
TOTAL FUND BALANCES	<u>71,239</u>	<u>2,073,026</u>	<u>36,602</u>	<u>878,034</u>	<u>3,058,901</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 142,919</u>	<u>\$ 2,073,026</u>	<u>\$ 139,150</u>	<u>\$ 884,920</u>	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Some assets used in governmental activities are not financial resources and, therefore, are not reported in the Balance Sheet - Governmental Funds.

 Capital assets, net of accumulated depreciation

32,190,324

32,190,324

Some liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the Balance Sheet - Governmental Funds.

 Loan payable

(38,270,000)

 Accrued interest payable - loan

(137,751)

(38,407,751)

 Net position of governmental activities

\$ (3,158,526)

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**INDIANA VALLEY METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2020**

	General	Debt Service	Capital Projects	IV PIC Capital Projects	Total Governmental Funds
REVENUES					
Public improvement fees	\$ -	\$ 2,870,219	\$ -	\$ 67,202	\$ 2,937,421
Cell tower lease	52,054	-	-	-	52,054
Net investment income	-	1,769	117	2,909	4,795
Total revenues	<u>52,054</u>	<u>2,871,988</u>	<u>117</u>	<u>70,111</u>	<u>2,994,270</u>
EXPENDITURES					
Current					
Legal	19,949	-	-	4,071	24,020
Management	20,000	-	-	-	20,000
Accounting	5,737	-	-	3,250	8,987
Audit	4,600	-	-	-	4,600
Insurance	21,383	-	-	2,628	24,011
Election	27,935	-	-	-	27,935
Dues and memberships	6,436	-	-	-	6,436
Postage and delivery	-	-	-	8	8
Landscape maintenance and snow removal	42,411	-	-	-	42,411
Repairs and maintenance	46,977	-	105,254	117,987	270,218
Holiday lighting	1,440	-	-	-	1,440
Public art display	5,000	-	-	-	5,000
Bank fees	82	391	1	-	474
Miscellaneous	7,828	-	-	178	8,006
Debt service					
Loan principal	-	880,000	-	-	880,000
Loan interest	-	1,659,199	-	-	1,659,199
City of Lakewood - administrative fee	-	207,320	-	-	207,320
Elk Valley PIC - administrative fee	-	105,000	-	-	105,000
Elk Valley PIC - contractual payment	-	134,403	-	-	134,403
Capital outlay					
Public improvements - capitalized	-	-	117,765	447,590	565,355
Total expenditures	<u>209,778</u>	<u>2,986,313</u>	<u>223,020</u>	<u>575,712</u>	<u>3,994,823</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES					
	<u>(157,724)</u>	<u>(114,325)</u>	<u>(222,903)</u>	<u>(505,601)</u>	<u>(1,000,553)</u>
OTHER FINANCING SOURCES (USES)					
Transfer (to) from other funds	105,000	(105,000)	-	-	-
Total other financing sources (uses)	<u>105,000</u>	<u>(105,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES					
	(52,724)	(219,325)	(222,903)	(505,601)	(1,000,553)
FUND BALANCES - BEGINNING OF YEAR					
	123,963	2,292,351	259,505	1,383,635	4,059,454
FUND BALANCES - END OF YEAR					
	<u>\$ 71,239</u>	<u>\$ 2,073,026</u>	<u>\$ 36,602</u>	<u>\$ 878,034</u>	<u>\$ 3,058,901</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**INDIANA VALLEY METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2020**

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in fund balances - Total governmental funds	<u>\$ (1,000,553)</u>
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Depreciation	(1,123,073)
Capitalized capital outlay	<u>565,355</u>
	<u>(557,718)</u>
<p>Long-term debt (e.g. bonds, developer advances) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>	
Principal payment on loan payable	<u>880,000</u>
	<u>880,000</u>
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Change in accrued interest payable - loan	<u>(1,378)</u>
	<u>(1,378)</u>
Change in net position - Governmental activities	<u><u>\$ (679,649)</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

INDIANA VALLEY METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2020

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Cell tower lease	\$ 52,054	\$ 52,054	\$ -
	<u>52,054</u>	<u>52,054</u>	<u>-</u>
EXPENDITURES			
Current			
Legal	28,000	19,949	8,051
Management	20,000	20,000	-
Accounting	7,400	5,737	1,663
Audit	4,700	4,600	100
Insurance	21,000	21,383	(383)
Election	1,500	27,935	(26,435)
Dues and memberships	7,000	6,436	564
Landscape maintenance and snow removal	35,000	42,411	(7,411)
Repairs and maintenance	57,000	46,977	10,023
Holiday lighting	21,000	1,440	19,560
Public art display	-	5,000	(5,000)
Bank fees	-	82	(82)
Miscellaneous	200	7,828	(7,628)
Contingency	10,000	-	10,000
Total Expenditures	<u>212,800</u>	<u>209,778</u>	<u>3,022</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(160,746)</u>	<u>(157,724)</u>	<u>3,022</u>
OTHER FINANCING SOURCES			
Transfers in	105,000	105,000	-
Total other financing sources	<u>105,000</u>	<u>105,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(55,746)	(52,724)	3,022
FUND BALANCE - BEGINNING OF YEAR	134,077	123,963	(10,114)
FUND BALANCE - END OF YEAR	<u>\$ 78,331</u>	<u>\$ 71,239</u>	<u>\$ (7,092)</u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 – DEFINITION OF REPORTING ENTITY

Indiana Valley Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, is governed pursuant to the provisions of the Colorado Special District Act. The District's service area is located within the City of Lakewood in Jefferson County, Colorado. The District operates under an Amended and Restated Service Plan dated December 7, 2009 as further amended on September 27, 2010. The 2009 amendment recognized the creation of Indiana Valley Metropolitan District No. 1 (District No. 1). The District and District No. 1 are collectively known as the Indiana Valley Districts (the Districts). On March 9, 2016, the Indiana Valley Metropolitan District No. 1 was dissolved.

The Indiana Valley Districts were established to provide funding for improvements and services necessary consisting largely of water, sanitation, parks and recreation, streets, traffic and safety protection, mosquito control, public transportation and other permitted improvements and facilities. The Loan was issued to finance the construction of certain public improvements (see Note 5).

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

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 a component unit of any other primary governmental entity, however the District does report one blended component unit, the Indiana Valley Public Improvement Corporation (IV PIC). The IV PIC is a Colorado non-profit corporation formed in December 2015, which has additionally received 501(c)(3) public charity status from the Internal Revenue Service. IV PIC was formed to operate exclusively on behalf of and for the benefit and in furtherance of the purposes of the Indiana Valley Metropolitan District. All moneys realized by the IV PIC shall be used exclusively for the acquisition, construction, improvement, operation, and maintenance of public improvements, including payment of obligations of the IV PIC in connection therewith, all as determined by the Board of Directors of the IV PIC from time to time. Any such improvements shall be located within the Indiana Valley Metropolitan District or shall have a substantial connection therewith or impact thereon.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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. For the most part, 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, with the difference between the assets and liabilities and deferred inflows of resources being reported as net position.

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 related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

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. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid.

All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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 Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

The IV PIC Capital Projects Fund, the District's blended component unit, is used to account for financial resources to be used for the acquisition, construction, operation, and maintenance of public improvements, including payment of obligations of the IV PIC, exclusively for the benefit of the District.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

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 funds' average equity balance in total cash. Investments are carried at fair value.

Capital Assets

Capital assets, which include storm drainage system, sanitary sewer system, road and safety improvements, public parking facilities, retaining wall, trail systems and detention pond are reported in the governmental activities column 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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 capital assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives. Almost all capital assets are being depreciated with a life of 40 years except for the pedestrian trail system, certain roadway improvements, safety and security systems and improvements, public art, and vehicles and equipment which are being depreciated over lives ranging from 5 to 20 years.

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

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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. The District does not have any items that qualify for reporting in this category.

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 revenue continues to be recognized when earned in the government-wide statements. The District does not have any items that qualify for reporting in this category.

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 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 IV PIC is a Colorado non-profit corporation and a 501(c)(3) public charity and accordingly not subject to the State Budget Law. However, the IV PIC adopts an annual budget, and therefore a budget to actual comparison schedule is presented for the IV PIC capital projects fund.

Fund Balances – Governmental Funds

The District's governmental fund balances may consist of five classifications based on the relative strength of the spending constraints as follows.

Nonspendable fund balance—the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance—the amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned fund balance—amounts the District intends to use for a specific purpose. Intent can be expressed by the District Board of Directors or by an official or body to which the District Board of Directors delegates the authority.

Unassigned fund balance—amounts that are available for any purpose.

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Board of Directors has provided otherwise in its commitment or assignment actions.

NOTE 3 – CASH AND INVESTMENTS

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

Cash and investments - unrestricted	\$ 35,480
Cash and investments - restricted	2,420,145
	\$ 2,455,625

Cash Deposits

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 equal to 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.

As of December 31, 2020, the District's cash deposits had bank and carrying balances of \$2,455,625, of which \$634,920 of the carrying balance was uninsured and uncollateralized.

Investments

The District's formal investment policy is to follow Colorado State Statutes which specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States and certain U.S. government agency securities and the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Certain reverse repurchase agreements
- . Certain securities lending agreements
- . Certain corporate bonds
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

Guaranteed investment contracts

As of December 31, 2020 and during the year, the District had no investments.

NOTE 4 – CAPITAL ASSETS

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

	<u>Balance at December 31, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at December 31, 2020</u>
Capital assets, not being depreciated:				
Real property interest in leasehold improvements	\$ 798,469	\$ -	\$ -	\$ 798,469
Construction in progress	90,363	8,375	-	98,738
Total capital assets, not being depreciated	<u>888,832</u>	<u>8,375</u>	<u>-</u>	<u>897,207</u>
Capital assets, being depreciated:				
Storm drainage system	6,608,100	-	-	6,608,100
Sanitary sewer system	1,598,932	-	-	1,598,932
Water system	-	439,215	-	439,215
Road and safety improvements	2,927,252	-	-	2,927,252
Public parking facilities	12,346,617	-	-	12,346,617
Parking garage	11,867,126	-	-	11,867,126
Retaining wall	6,129,986	-	-	6,129,986
Pedestrian trail system	1,046,611	-	-	1,046,611
Public art	-	39,699	-	39,699
Security and safety	-	27,841	-	27,841
Vehicles and equipment	-	50,225	-	50,225
Total capital assets, being depreciated	<u>42,524,624</u>	<u>556,980</u>	<u>-</u>	<u>43,081,604</u>
Less accumulated depreciation for:				
Storm drainage system	(1,610,725)	(165,203)	-	(1,775,928)
Sanitary sewer system	(389,739)	(39,974)	-	(429,713)
Water system	-	(5,490)	-	(5,490)
Road and safety improvements	(712,237)	(73,874)	-	(786,111)
Public parking facilities	(3,009,487)	(308,666)	-	(3,318,153)
Parking garage	(2,892,612)	(296,678)	-	(3,189,290)
Retaining wall	(1,494,186)	(153,248)	-	(1,647,434)
Pedestrian trail system	(556,428)	(69,774)	-	(626,202)
Public art	-	(3,970)	-	(3,970)
Security and safety	-	(1,174)	-	(1,174)
Vehicles and equipment	-	(5,022)	-	(5,022)
Total accumulated depreciation	<u>(10,665,414)</u>	<u>(1,123,073)</u>	<u>-</u>	<u>(11,788,487)</u>
Total capital assets, being depreciated, net	<u>31,859,210</u>	<u>(566,093)</u>	<u>-</u>	<u>31,293,117</u>
Total capital assets, net	<u>\$ 32,748,042</u>	<u>\$ (557,718)</u>	<u>\$ -</u>	<u>\$ 32,190,324</u>

Depreciation is recorded as an expense in the Statement of Activities in the general government function.

On April 19, 2010, Elk Valley Public Improvement Corporation entered into a Detention Pond Lease Agreement (Lease) with Denver West Metropolitan District. Further agreements were entered into on April 20, 2010 which subsequently assigned this lease to the District. Denver

**INDIANA VALLEY METROPOLITAN DISTRICT
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West Metropolitan District holds fee title to property underlying detention pond improvements which have been constructed. The District is leasing the property from Denver West Metropolitan District which includes all rights of surface possession, privileges, easements and appurtenances pertaining to the property. Title to the property is held by the District during the term of the lease and requires the District to operate and maintain the property including the improvements. The lease expiration date is on December 31, 2090. No annual lease payments are required under the Lease.

NOTE 5 - LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2020.

	<u>Balance December 31, 2019</u>	<u>Additions/ Issuances</u>	<u>Retirements</u>	<u>Balance December 31, 2020</u>	<u>Due Within One Year</u>
Direct Borrowing:					
Amended and Restated Loan Agreement	\$ 39,150,000	\$ -	\$ (880,000)	\$ 38,270,000	\$ 940,000

Loan Agreement

In order to satisfy the District's obligations under the Credit Support Agreement, defease the Elk Valley Public Improvement Corporation's (Elk Valley PIC) Revenue Bonds and finance additional public improvements, the District entered into a Loan Agreement with Compass Mortgage Corporation (Lender) on April 20, 2010 in the principal amount of \$44,500,000. On May 10, 2012 the District entered into the First Amendment to Loan Agreement which extended the due date from April 20, 2017 to October 20, 2020. On February 16, 2017 the District entered into the Amended and Restated Loan Agreement (Amended Loan Agreement) which modified numerous terms of the original loan agreement, as amended, and the significant modifications are as follows: 1) extended the maturity date from October 20, 2020 to February 16, 2031, 2) changed the interest rate from a variable rate of 65% of the 30-day LIBOR rate plus 1.95%, not to exceed 12.00% to a fixed rate of 4.18%, 3) terminated the International Swap Dealers Association Master Agreement with Banco Bilbao Vizcaya Argentaria S.A. (BBVA) dated April 20, 2010 as later amended on May 10, 2012, and 4) reduced the required reserve on the loan from \$3,500,000 to \$1,384,236.24. At closing on February 16, 2017, available funds in the Net Pledged Revenue Fund and Reserve Fund were used to pay accrued interest from December 1, 2016 through February 16, 2017 of \$213,604.60, loan issuance costs of \$368,775.50, and a swap termination payment to BBVA of \$1,745,150. Interest is payable on June 1 and December 1 of each year, beginning June 1, 2017 and principal is payable on December 1 of each year, beginning December 1, 2017.

The Loan may be prepaid in whole, or with the consent of the Lender, in part, on any interest payment date on and after February 16, 2024 and prior to February 16, 2027 at a prepayment price equal to the principal amount to be prepaid plus accrued interest thereon to the date of such prepayment, together with any applicable Yield Maintenance Fee, as defined in the Amended Loan Agreement, and any other amounts then due and owing to the Lender as a result of such repayment, provided, however, that if the Yield Maintenance Fee on any proposed prepayment dated exceeds 3%, then the Loan shall be considered non-prepayable

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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unless the Lender agrees to reduce the amount of the Yield Maintenance Fee then otherwise due to 3% to effect such payment. The Loan may be prepaid in whole, or with the consent of the Lender, in part, on any interest payment date on and after February 16, 2027 at a prepayment price equal to the principal amount to be prepaid plus accrued interest thereon to the date of such prepayment, together with any other amounts then due and owing to the Lender, without a Yield Maintenance Fee or any other prepayment premium fee.

The Amended Loan is payable from Pledged Revenue which includes the following:

- Required Mill Levy, net of costs of collection;
- The Specific Ownership Tax, net of costs of collection;
- The PIF revenue, provided, however, that Pledged Revenue shall not include any Excess PIF Revenue to the extent paid by Lender to Elk Valley Public Improvement Corporation pursuant to the terms of the Amended Loan Agreement, and shall not include any Excess Tax Revenue to the extent paid by Lender to the District pursuant to the terms of the Loan Agreement;
- All amounts held in the funds and accounts established and maintained under the Amended Loan Agreement together with interest earnings thereon, including, without limitation, the Pledged Revenue Funds, the Administrative Costs Fund, the Project Fund and the Reserve Fund; and
- All other legally available moneys which the District, in its sole discretion, to deposit in any funds or accounts established and/or maintained under the Amended Loan Agreement.

The District's covenant to levy the Required Mill Levy on all taxable property within the District is for the purpose of paying the principal of, prepayment penalty, if any, and interest on the Loan when due and, if necessary, paying the certain administrative costs, replenishing the Reserve Fund to the Reserve Requirement and all other purposes contemplated in the definition of Required Mill Levy. The District shall, before such time provided for by law for levying other District taxes, annually determine and impose a rate of levy for general ad valorem taxes, on all of the taxable property of the District, in each of the years 2017 through 2030, inclusive (and, to the extent necessary to make up any overdue payments on the Loan, in each year subsequent to 2030 until the Loan and all amounts due and owing to the Lender hereunder have been paid in full), in an amount equal to the Required Mill Levy. The District shall, in certifying annual levies for general ad valorem taxes, take into account any deficiencies and defaults of prior years under the Loan in addition to the annual debt requirements for the ensuing bond year and Reserve Fund replenishments, if any.

The loan agreement defines various Events of Default, including but not limited to:

- a) before the Unlimited Tax Receipt Date (which means the first principal payment date or interest payment date occurring after the first mill levy certification by the District occurring after the date on which the debt to assessed ration becomes 50% or less) the District fails or refuses to impose the Required Mill Levy or apply the Pledged Revenue are required by the loan agreement,

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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- b) on or after the Unlimited Tax Receipt Date, the District fails to pay the principal of or interest on the loan when due,
- c) the District fails to replenish the Reserve Fund the required amount in accordance with loan agreement,
- d) a change occurs in the financial or operating conditions of the District, that, in the Lender's reasonable judgment, will have a materially adverse impact on the ability of the District to generate revenues sufficient to satisfy the District's obligations under this Agreement or its other obligations, and the District fails to cure such condition within 45 days after receipt by the District of written notice thereof from the Lender
- e) the District fails to enforce its right to receive the PIF Revenue in the manner and at the times required by the Public Facilities Agreement

However, the Lender acknowledges that due to the limited nature of the Pledged Revenue, the failure to pay the principal of and/or interest on the loan when due shall not, of itself, constitute an Event of Default prior to the Unlimited Tax Receipt Date.

If an Event of Default occurs, the Lender may take actions to appoint a receiver or receivers of the Pledged Revenue and shall be entitled to the possession and control of any cash, securities, or other instruments constituting the Pledged Revenue. The Lender may also pursue a suit for judgement or mandamus or other suit. However, acceleration of the loan is not an available remedy for an Event of Default.

Under the terms of the Amended Loan Agreement, PIF Revenues are to be accumulated in the Administrative Costs Fund until the amount is sufficient to pay the annual administrative costs of the City of Lakewood (City), the Elk Valley PIC, and the District. Per the Amended Loan Agreement the City is to receive an amount not to exceed \$219,249 per calendar year. Both Elk Valley PIC and the District are each to receive \$100,000 per year for the years 2017 and 2018, \$105,000 per year for the years 2019 and 2020, \$110,000 per year for the years 2021 and 2022, \$115,000 per year for the years 2023 and 2024, \$120,000 per year for the years 2025 and 2026, \$125,000 per year for the years 2027 and 2028, \$130,000 per year for the years 2029 and 2030, and \$135,000 per year for the year 2031.

Pursuant to the Amended Loan Agreement, the District was required to establish and maintain a Reserve Fund in the amount of \$1,384,236.24. In the event that the pledged revenues are insufficient to make debt service payments, these reserves may be used to meet the debt service requirements. As of December 31, 2020, the District held \$1,396,073 in the Reserve Fund.

The District's long-term obligations will now mature as follows.

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 940,000	\$ 1,621,904	\$ 2,561,904
2022	1,000,000	1,582,066	2,582,066
2023	1,065,000	1,539,686	2,604,686
2024	1,135,000	1,498,645	2,633,645
2025	1,205,000	1,446,448	2,651,448
2026-2030	7,200,000	6,405,100	13,605,100
2031	25,725,000	229,996	25,954,996
	<u>\$ 38,270,000</u>	<u>\$ 14,323,845</u>	<u>\$ 52,593,845</u>

Memorandum of Understanding

On April 20, 2010 and as amended on May 8, 2012, the District entered into a Memorandum of Understanding Concerning Allocation of PIF Revenues (MOU) with Elk Valley Public Improvement Corporation (Elk Valley PIC) for the purpose of evidencing their agreement with respect to the allocation of the Excess PIF Revenues between Elk Valley Public Improvement Corporation and the District. The MOU provides for the distribution of the Excess PIF Revenues based on the PIF collection area. In December 2015, the District formed the Indiana Valley Public Improvement Corporation (Indiana Valley PIC) (see Note 1). The Excess PIF revenues are remitted by the District to Elk Valley PIC, which then allocates the Excess PIF revenues based on percentages defined in the MOU. Elk Valley PIC retains its portion of the Excess PIF revenues and remits the remainder to Indiana Valley PIC to be used for public improvement purposes.

NOTE 6 – DEBT AUTHORIZATION

A majority of the qualified electors of the District authorized the issuance of indebtedness as follows:

	<u>Authorized November 6, 2001</u>	<u>Authorized May 5, 2020</u>	<u>Authorization Used</u>	<u>Remaining Authorization</u>
Streets	\$ 45,000,000	\$ 53,000,000	\$ (3,061,668)	\$ 94,938,332
Traffic and safety controls	45,000,000	53,000,000	-	98,000,000
Sewer and storm drainage	45,000,000	53,000,000	-	98,000,000
Potable and non-potable water supply	-	53,000,000	-	53,000,000
Park and recreation	45,000,000	53,000,000	-	98,000,000
Public transportation	-	53,000,000	-	53,000,000
Fire protection	-	53,000,000	-	53,000,000
Television relay and translation system	-	53,000,000	-	53,000,000
Security services and improvements	-	53,000,000	-	53,000,000
Telephone, satellite and fiber-optic systems	-	53,000,000	-	53,000,000
Mosquito control	-	53,000,000	-	53,000,000
Operating and maintenance expenses	-	53,000,000	-	53,000,000
Any authorized public improvement	-	53,000,000	-	53,000,000
Contract debt	45,000,000	-	(44,500,000)	500,000
Refunding	270,000,000	106,000,000	-	376,000,000
	<u>\$ 495,000,000</u>	<u>\$ 795,000,000</u>	<u>\$ (47,561,668)</u>	<u>\$ 1,242,438,332</u>

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 7 – CELLULAR TOWER LEASE

The District entered into an Assignment and Assumption of Option and Lease Agreement effective January 15, 2012 with Elk Valley Public Improvement Corporation (Assumption Agreement) under which the District assumed the burdens and benefits of a Lease Agreement between Elk Valley Public Improvement Corporation and New Cingular Wireless PCS, LLC dated May 11, 2007 (Agreement). Effective December 28, 2016, the District entered into the First Amendment to Option and Lease Agreement which modified the monthly rent payments to \$3,950, and included an annual 3% rent rate adjustment. It was further clarified that the Agreement's initial term began on December 1, 2007, and was extended on December 1, 2012 for a five-year extension term. One December 1, 2017, there will remain four additional five-year extension terms, which are subject to the right of termination as outlined in the Agreement. If all extension terms are exercised and the Agreement is not terminated or otherwise amended, the final expiration date of the Agreement shall be November 30, 2037. Additionally, New Cingular Wireless, PCS, LLC agreed to reimburse the District up to \$6,000 of costs associated with the negotiation of the amended agreement. During 2020, the District recognized rental revenue of \$52,054.

NOTE 8 – RELATED PARTIES

The members of the Board of Directors of the District are employees of, owners of, or are associated with the Colorado Mills Residual Limited Partnership and Colorado Mills Mall Limited Partnership and have potential conflicts of interest in dealing with the District as disclosed to the Secretary of State's Office pursuant to Colorado statute.

NOTE 9 – FUND EQUITY

As of December 31, 2020, the District reported the following classifications of fund equity.

Nonspendable Fund Balance

The nonspendable fund balance in the General Fund in the amount of \$445 is comprised of prepaid amounts which are not in spendable form.

Restricted Fund Balance

The restricted fund balance in the General Fund in the amount of \$4,712 is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 13).

The restricted fund balances in the Capital Projects Fund and IV PIC Capital Projects Fund in the amounts of \$36,602 and \$878,034 are to be used exclusively for capital asset construction or acquisition or public improvements.

The restricted fund balance in the Debt Service Fund in the amount of \$2,073,026 is to be used exclusively for debt service requirements (see Note 5).

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

Assigned Fund Balance

The assigned fund balance in the General Fund in the amount of \$58,284 is comprised of amounts assigned by the Board of Directors by a resolution to eliminate the projected budgetary deficit in the subsequent year's budget.

NOTE 10 – 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, calculated as follows:

	Governmental Activities
Net investment in capital assets:	
Capital assets, net	<u>\$ 32,190,324</u>
Capital-related debt:	
Amended and restated loan agreement payable	(38,270,000)
Plus:	
Unspent bond proceeds	<u>139,150</u>
Total capital-related debt	<u>(38,130,850)</u>
Net investment in capital assets	<u><u>\$ (5,940,526)</u></u>

Restricted position includes amounts 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.

As of December 31, 2020, the District had the following restricted net position:

Restricted:	
Emergencies	\$ 4,712
Debt service	1,935,275
Capital projects, improvements and repairs	<u>914,636</u>
	<u><u>\$ 2,854,623</u></u>

The District had unrestricted net position in the amount of (\$72,623) as of December 31, 2020. This deficit amount was a result of the District being responsible for repayment of debt issued for public improvements.

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 11 – TRANSFERS

During the year ended December 31, 2020, the Debt Service transferred \$105,000 to the General Fund for operations in accordance with the Amended Loan Agreement (see Note 5).

NOTE 12 – RISK MANAGEMENT

Except as provided by the Colorado Governmental Immunity Act § 24-10-101, et seq., C.R.S. as may be amended from time to time, the District may be exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2020. 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, public officials' liability and workers compensation 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.

The IV PIC maintains commercial insurance for professional liability coverage. Settled claims have not exceeded this coverage in any of the past three fiscal years.

NOTE 13 – 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 that 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.

On November 6, 2001, the District's electors authorized the District to increase taxes \$5,000,000 annually, without limitation to rate, to pay the District's administration, operations, and maintenance and other expenses in fiscal year 2001 and subsequent years.

**INDIANA VALLEY METROPOLITAN DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

On November 6, 2001, District's electors authorized the District to retain and spend the full amount of all taxes, tap fees, system development fees, rental income, service charges, inspection charges, administrative charges, grants or any other fee, rate, toll, penalty, or charge authorized by law to be imposed or collected by the District and any other revenues or income lawfully received by the District from the State , political subdivision of the State, other governmental entity or Elk Valley Public Improvement Corporation during 2001 and each year thereafter, without limitation by Article X, Section 20 of the Colorado Constitution or any other law as they currently exist or as they may be amended in the future.

On May 5, 2020, the District's electors authorized the District to increase taxes \$53,000,000 annually, by the imposition of ad valorem property taxes levied, without limitation to rate or amount or any other condition, to pay the District's administration, operations, maintenance and capital expenses in fiscal year 2020 and each fiscal year thereafter.

On May 5, 2020, the District's electors authorized the District to increase taxes \$53,000,000 annually, by the imposition a fee or fees, without limitation as to rate or amount or any other condition, to pay the District's administration, operations, maintenance and capital expenses in fiscal year 2020 and each fiscal year thereafter.

On May 5, 2020, the District's electors authorized the District to increase taxes \$53,000,000 annually, by the imposition a fee or fees, without limitation as to rate or amount or any other condition, to pay the District's intergovernmental agreements or other contracts in fiscal year 2020 and each fiscal year thereafter.

On May 5, 2020, District's electors authorized the District to retain and spend the full amount of all taxes, tax increment revenues, tap fees, park fees, facility fees, public improvement fees, development fees, impact fees, service charges, inspection charges, administrative charges, grants, gifts or any other fee, rate toll , penalty or charge authorized by law, covenants or contract to be imposed or collected by the District during 2020 and each fiscal year thereafter, without limitation by Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxes by section 29-1-301, Colorado Revised Statutes, in any subsequent year, or any other law which purports to limited the District's revenues or expenditures as it currently exists or as it may be amended in the future, and without limiting in any year the amount of other revenues that may be collected, received, retained and spent by the District.

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.

This information is an integral part of the accompanying financial statements.

SUPPLEMENTAL INFORMATION

**INDIANA VALLEY METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Public improvement fees	\$ 4,450,000	\$ 2,870,219	\$ (1,579,781)
Net investment income	7,000	1,769	(5,231)
	<u>4,457,000</u>	<u>2,871,988</u>	<u>(1,585,012)</u>
EXPENDITURES			
Debt service			
Loan principal	880,000	880,000	-
Loan interest	1,663,744	1,659,199	4,545
Bank fees	1,000	391	609
City of Lakewood - administrative fee	219,249	207,320	11,929
Elk Valley PIC - administrative fee	105,000	105,000	-
Elk Valley PIC - contractual payment	1,450,000	134,403	1,315,597
Contingency	200,000	-	200,000
Total Expenditures	<u>4,518,993</u>	<u>2,986,313</u>	<u>1,532,680</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(61,993)</u>	<u>(114,325)</u>	<u>(52,332)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(105,000)	(105,000)	-
Total other financing sources (uses)	<u>(105,000)</u>	<u>(105,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(166,993)	(219,325)	(52,332)
FUND BALANCE - BEGINNING OF YEAR	2,289,658	2,292,351	2,693
FUND BALANCE - END OF YEAR	<u>\$ 2,122,665</u>	<u>\$ 2,073,026</u>	<u>\$ (49,639)</u>

**INDIANA VALLEY METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year Ended December 31, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Net investment income	\$ 400	\$ 117	\$ (283)
Total revenues	<u>400</u>	<u>117</u>	<u>(283)</u>
EXPENDITURES			
Repairs and maintenance	-	105,254	(105,254)
Bank fees	-	1	(1)
Capital outlay	<u>259,996</u>	<u>117,765</u>	<u>142,231</u>
Total Expenditures	<u>259,996</u>	<u>223,020</u>	<u>36,976</u>
NET CHANGE IN FUND BALANCE	(259,596)	(222,903)	36,693
FUND BALANCE - BEGINNING OF YEAR	<u>259,596</u>	<u>259,505</u>	<u>(91)</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 36,602</u>	<u>\$ 36,602</u>

**INDIANA VALLEY METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
IV PIC - CAPITAL PROJECTS FUND
Year Ended December 31, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Public improvement fees	\$ 456,000	\$ 67,202	\$ (388,798)
Net investment income	9,000	2,909	(6,091)
Total revenues	<u>465,000</u>	<u>70,111</u>	<u>(394,889)</u>
EXPENDITURES			
Current			
Legal	5,500	4,071	1,429
Accounting	3,500	3,250	250
Insurance	6,500	2,628	3,872
Postage and delivery	-	8	(8)
Repairs and maintenance	179,000	117,987	61,013
Miscellaneous	200	178	22
Capital outlay			
Public improvements - capitalized	1,225,000	447,590	777,410
Total Expenditures	<u>1,419,700</u>	<u>575,712</u>	<u>843,988</u>
NET CHANGE IN FUND BALANCE	(954,700)	(505,601)	449,099
FUND BALANCE - BEGINNING OF YEAR	1,396,664	1,383,635	(13,029)
FUND BALANCE - END OF YEAR	<u>\$ 441,964</u>	<u>\$ 878,034</u>	<u>\$ 436,070</u>