

**Inverness Metropolitan Improvement District  
Arapahoe and Douglas Counties, Colorado**

**FINANCIAL STATEMENTS**

**With Independent Auditor's Report**

**December 31, 2022**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Inverness Metropolitan Improvement District  
Arapahoe and Douglas Counties, Colorado

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Inverness Metropolitan Improvement District (the District) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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 District as of December 31, 2022, and the respective changes in financial position thereof, 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.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate to those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i through iv be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information as identified in the table of contents is presented for the purposes of additional analysis and legal compliance and is not a required part of the basic financial statements. Such 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. The 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Fiscal Focus Partners, LLC*

Arvada, Colorado  
December 26, 2023

**Inverness Metropolitan Improvement District**

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**Inverness Metropolitan Improvement District  
Management Discussion and Analysis  
December 31, 2022**

This management's discussion and analysis of the Inverness Metropolitan Improvement District (the "District") financial statements provides an overview of the District's financial activities for the fiscal year ended December 31, 2022. The intent of this discussion and analysis is to look at the District's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the District's overall financial and operational performance.

Almost all of the District's annual revenues are from property taxes, specific ownership taxes, and excluded property fees. The District's 2022 tax revenues were comparable to 2021. The District sets mill levies at levels that generate a consistent revenue stream for the district operations and debt service. The mill levies also create a steady property tax expense for District property owners. The Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected in the Supplemental Information provides a history of assessed values and mill levies for the District.

The District experienced a \$657,407 increase in net position in 2022. The District paid off its long-term debt in 2022. The District has strong liquidity. Current assets at December 31, 2022, exceeded current liabilities by over \$3,500,000.

**Financial Highlights**

The Statement of Net Position describes the District's financial condition as of December 31, 2022, the close of the most recent fiscal year. The assets of the District exceeded its liabilities and deferred inflows of resources by \$19,234,376. As described in Note 4 of the financial statements, the District has \$15,649,084 of capital assets net of depreciation at year-end 2022. These assets include landscaping, buildings, parks and recreational facilities, sidewalks, traffic signals, signage and other public infrastructure.

As described in Note 5 of the financial statements, the District paid off its general obligation bonds in full during 2022.

The District's general operating results for 2022 were generally comparable to 2021. 2022 general revenues of \$2,808,834 were \$170,873 greater than 2021 revenues. The District's 2022 operating expenses were \$170,704 higher than 2021. The District experienced an offset to expense line items Recreation Programs and Covenant Control due to their respective related service charges, netting the District \$66,580 in additional revenue. The District had higher than normal snow removal expenses but over-all expenditures were well within budget.

**Overview of the Financial Statements**

This annual report consists of three parts; 1) Management's discussion and analysis (this section), 2) the Basic Financial Statements including the accompanying footnotes, and 3) the Supplementary Information.

The Basic Financial Statements include the government-wide financial statements, the fund financial statements, and the notes to financial statements, which provide information integral to the financial statements.

**Government-wide Financial Statements**

The *government-wide financial statements* report information about the District as a whole and are prepared using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenditures are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents information on the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference being reported as Net Position. Over time, increases or decreases in the District's Net Position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Other non-financial factors, however, such as changes in the District's property tax base and the condition of the infrastructure, are needed to assess the overall health of the District. The District operated with an increase in Net Position in both 2022 and 2021.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods such as "deferred property taxes".

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the District's funds are included in one category: governmental funds.

**Governmental funds** – Most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds' statements provide a detailed short-term view of cash, the governmental funds' operations and the basic services it provides.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison *between governmental funds and governmental activities*.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities and deferred inflows of resources by \$19,234,376. Of the District's net position \$3,520,792 is unrestricted and may be used to meet the District's ongoing financial obligations. This unrestricted net position is not restricted by external requirements nor invested in capital assets.

Of the District's \$20,999,709 in assets, \$15,649,084 reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment). This amount less related debt used to acquire those assets still outstanding (if any) is reported as net investment in capital assets (\$15,649,084) in the District's net position. The District uses these capital assets to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resource used to repay this debt will be property taxes generated from the District's debt service mill levy.

Following are summary comparative financial statement information for the most recent two fiscal year-ends:

**Comparative Statements of Net Position as of December 31:**

ASSETS	2022	2021
Current assets	\$ 3,783,822	\$ 3,524,319
Property taxes receivable	1,566,803	2,208,555
Capital assets, net	15,649,084	15,923,251
Total Assets	20,999,709	21,656,125
LIABILITIES		
Current liabilities	198,530	240,601
Current portion of long-term liabilities	-	630,000
Total Liabilities	198,530	870,601
DEFERRED INFLOWS		
Property tax revenues	1,566,803	2,208,555
NET POSITION		
Net investment in capital assets	15,649,084	15,293,251
Restricted	64,500	169,611
Unrestricted	3,520,792	3,114,107
Total Net Position	\$ 19,234,376	\$ 18,576,969



### Comparative Statements of Activities for the Years Ended:

	<u>2022</u>	<u>2021</u>
<b>Program Revenue</b>		
Charges for Services	\$ 96,140	\$ 45,380
Total Program Revenues	<u>96,140</u>	<u>45,380</u>
 <b>General Revenue</b>		
Property Taxes	2,684,936	2,586,291
Other Revenues	<u>123,898</u>	<u>51,670</u>
Total General Revenues	<u>2,808,834</u>	<u>2,637,961</u>
<b>Total Revenues</b>	<u><b>\$ 2,904,974</b></u>	<u><b>\$ 2,683,341</b></u>
 <b>Expenses</b>		
General Government	353,757	326,952
Public Works	1,851,637	1,681,738
Recreation Programs	14,582	11,245
Covenant Control	14,978	28,177
Interest on Long-Term Debt	<u>12,613</u>	<u>28,751</u>
<b>Total Expenses</b>	<u><b>2,247,567</b></u>	<u><b>2,076,863</b></u>
 <b>Change in Net Position</b>	<b>657,407</b>	<b>606,478</b>
<b>Net Position, Beginning of Year</b>	<u><b>18,576,969</b></u>	<u><b>17,970,491</b></u>
<b>Net Position, End of Year</b>	<u><b>\$ 19,234,376</b></u>	<u><b>\$ 18,576,969</b></u>

### Budgetary Highlights

The District's 2022 total operating revenues were above budget mainly due to an increase in investment earnings and other income. The District's 2022 operating expenditures were below budget.

### Contacting the District's Financial Management

This financial report is designed to provide our residents, customers, taxpayers, and creditors with a general overview of the District's financials and to show the District's accountability for the income it receives. If you have any questions regarding this report or need additional financial information, please contact District management per the following:

Mulhern MRE, Inc., District Manager  
Inverness Metropolitan Improvement District  
58 Inverness Drive East, Suite 100  
Englewood, CO 80112  
Phone: (303) 649-9857

**Inverness Metropolitan Improvement District**  
**STATEMENT OF NET POSITION**  
**December 31, 2022**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 3,549,521
Cash and investments - Restricted	195,519
Receivable - County Treasurer	12,985
Accounts receivable	750
Prepaid expenses	25,047
Property taxes receivable	1,566,803
Capital assets, not being depreciated	10,708,813
Capital assets, net	4,940,271
<b>Total assets</b>	<b>20,999,709</b>
<b>LIABILITIES</b>	
Accounts payable	166,530
Deposits payable	32,000
<b>Total liabilities</b>	<b>198,530</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property tax revenue	1,566,803
<b>Total deferred inflows of resources</b>	<b>1,566,803</b>
<b>NET POSITION</b>	
Net investment in capital assets	15,649,084
Restricted for:	
Emergency reserves	64,500
Unrestricted	3,520,792
<b>Total net position</b>	<b>\$ 19,234,376</b>

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

**Inveress Metropolitan Improvement District**

**STATEMENT OF ACTIVITIES**

**For the Year Ended December 31, 2022**

		<b>Program Revenue</b>	<b>Net (Expense) Revenue and Changes in Net Position</b>
<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Governmental Activities</b>
<b>Primary government</b>			
General government	\$ 353,757	\$ -	\$ (353,757)
Public works	1,851,637	-	(1,851,637)
Recreation program	14,582	13,695	(887)
Covenant control	14,978	82,445	67,467
Interest on long-term debt and related costs	12,613	-	(12,613)
<b>Total governmental activities</b>	<b>\$ 2,247,567</b>	<b>\$ 96,140</b>	<b>(2,151,427)</b>
<b>General revenues:</b>			
			2,125,952
Property taxes			174,918
Specific ownership taxes			384,066
Excluded property fees			49,004
Landscape reimbursement			74,894
Interest income			<u>2,808,834</u>
<b>Total general revenues</b>			
<b>Change in net position</b>			657,407
Net position - beginning			18,576,969
Net position - ending			<u>\$ 19,234,376</u>

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

**Inverness Metropolitan Improvement District**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

**December 31, 2022**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>				
Cash and investments	\$ 3,549,521	\$ -	\$ -	\$ 3,549,521
Cash and investments - Restricted	64,500	131,019	-	195,519
Receivable - County Treasurer	12,985	-	-	12,985
Accounts receivable	750	-	-	750
Prepaid expenses	25,047	-	-	25,047
Property taxes receivable	1,566,803	-	-	1,566,803
<b>Total assets</b>	<u>\$ 5,219,606</u>	<u>\$ 131,019</u>	<u>\$ -</u>	<u>\$ 5,350,625</u>
<b>LIABILITIES</b>				
Accounts and retainage payable	\$ 166,530	\$ -	\$ -	\$ 166,530
Deposits payable	32,000	-	-	32,000
<b>Total liabilities</b>	<u>198,530</u>	<u>-</u>	<u>-</u>	<u>198,530</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property tax revenue	1,566,803	-	-	1,566,803
<b>Total deferred inflows of resources</b>	<u>1,566,803</u>	<u>-</u>	<u>-</u>	<u>1,566,803</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid expenses	25,047	-	-	25,047
Restricted for:				
Emergencies	64,500	-	-	64,500
Committed for:				
Capital projects	-	131,019	-	131,019
Assigned for:				
Subsequent year's expenditures	34,483	-	-	34,483
Unassigned	3,330,243	-	-	3,330,243
<b>Total fund balances</b>	<u>3,454,273</u>	<u>131,019</u>	<u>-</u>	<u>3,585,292</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 5,219,606</u>	<u>\$ 131,019</u>	<u>\$ -</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.

15,649,084

Net position of governmental activities

\$ 19,234,376

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

**Inverness Metropolitan Improvement District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**

**For the Year Ended December 31, 2022**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>				
Property taxes	\$ 1,555,648	\$ 570,304	\$ -	\$ 2,125,952
Specific ownership taxes	174,918	-	-	174,918
Excluded property fees	281,024	103,042	-	384,066
Recreation fees	13,695	-	-	13,695
Review and permit fees	82,445	-	-	82,445
Investment earnings	74,894	-	-	74,894
Landscape reimbursement	49,004	-	-	49,004
<b>Total revenues</b>	<u>2,231,628</u>	<u>673,346</u>	<u>-</u>	<u>2,904,974</u>
<b>Expenditures</b>				
General government	344,432	9,325	-	353,757
Public works	1,092,710	-	-	1,092,710
Recreation program	14,582	-	-	14,582
Covenant control	14,978	-	-	14,978
Debt service				
Principal	-	630,000	-	630,000
Interest and fiscal charges	-	15,093	-	15,093
Capital outlay	-	-	484,760	484,760
<b>Total expenditures</b>	<u>1,466,702</u>	<u>654,418</u>	<u>484,760</u>	<u>2,605,880</u>
<b>Excess of revenues over (under) expenditures</b>	764,926	18,928	(484,760)	299,094
<b>Other financing sources (uses)</b>				
Operating transfers in (out)	(404,273)	-	404,273	-
<b>Total other financing sources and (uses)</b>	<u>(404,273)</u>	<u>-</u>	<u>404,273</u>	<u>-</u>
<b>Net change in fund balances</b>	360,653	18,928	(80,487)	299,094
<b>Fund balances - beginning</b>	3,093,620	112,091	80,487	3,286,198
<b>Fund balances - ending</b>	<u>\$ 3,454,273</u>	<u>\$ 131,019</u>	<u>\$ -</u>	<u>\$ 3,585,292</u>

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

**Inverness Metropolitan Improvement District**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

**For the Year Ended December 31, 2022**

Net change in fund balances - governmental funds:	\$ 299,094
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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. Therefore, this is the amount of depreciation in the current period.

Depreciation expense	(645,658)
Capital outlay	371,491

The issuance of long-term debt (e.g., bond, leases) provides 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.

Bond principal payment	630,000
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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.

Accrued bond interest payable - Change in liability	<u>2,480</u>
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Change in net position of governmental activities	<u>\$ 657,407</u>
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*The accompanying Notes to the Financial Statements are an integral part of these statements.*

**Inverness Metropolitan Improvement District**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**For the Year Ended December 31, 2022**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 1,616,000	\$ 1,555,648	\$ (60,352)
Specific ownership taxes	183,600	174,918	(8,682)
Excluded property fees	282,000	281,024	(976)
Recreation fees	10,000	13,695	3,695
Review and permit fees	5,000	82,445	77,445
Investment earnings	5,000	74,894	69,894
Landscape reimbursement	60,000	49,004	(10,996)
<b>Total revenues</b>	<u>2,161,600</u>	<u>2,231,628</u>	<u>70,028</u>
<b>EXPENDITURES</b>			
General government			
District management	197,900	196,339	1,561
Accounting and audit	56,400	55,400	1,000
Legal	26,000	6,594	19,406
Director's fees	3,000	2,700	300
Professional services	40,000	19,860	20,140
Office operating	5,000	2,632	2,368
Insurance	21,000	21,219	(219)
Treasurer's fees	28,500	25,436	3,064
Miscellaneous	-	6,002	(6,002)
Bad debt expense	-	8,250	(8,250)
Total general government	<u>377,800</u>	<u>344,432</u>	<u>33,368</u>
Public works			
Landscape maintenance	507,484	468,620	38,864
Street maintenance and repairs	51,000	16,961	34,039
Sidewalk maintenance and repairs	150,000	65,126	84,874
Lighting	125,000	75,386	49,614
Snow removal	250,000	360,380	(110,380)
Irrigation	77,000	49,638	27,362
Trash patrol	58,000	56,599	1,401
Total public works	<u>1,218,484</u>	<u>1,092,710</u>	<u>125,774</u>
Recreation program	12,000	14,582	(2,582)
Covenant control	50,000	14,978	35,022
Contingency	100,000	-	100,000
<b>Total expenditures</b>	<u>1,758,284</u>	<u>1,466,702</u>	<u>291,582</u>
<b>Excess of revenues over expenditures</b>	<u>403,316</u>	<u>764,926</u>	<u>361,610</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers (out)	(2,166,200)	(404,273)	1,761,927
<b>Total other financing sources (uses)</b>	<u>(2,166,200)</u>	<u>(404,273)</u>	<u>1,761,927</u>
<b>Net change in fund balances</b>	<u>(1,762,884)</u>	<u>360,653</u>	<u>2,123,537</u>
<b>Fund balances - beginning</b>	<u>2,433,184</u>	<u>3,093,620</u>	<u>660,436</u>
<b>Fund balances - ending</b>	<u>\$ 670,300</u>	<u>\$ 3,454,273</u>	<u>\$ 2,783,973</u>

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

## **Inverness Metropolitan Improvement District**

### **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2022**

#### **Note 1 – Definition of Reporting Entity**

Inverness Metropolitan Improvement District (the District) is a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on October 30, 1980, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Arapahoe and Douglas Counties, Colorado. The District was established to provide for the acquisition, construction, completion, installation of public improvements, including open space, park and recreational facilities and programs, and to improve the transportation system, including roads and a possible mass transit system. The District also administers, enforces and interprets the Inverness Protective Covenants. The District's primary revenues are from property taxes and development fees. The District is governed by an elected Board of Directors.

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.

As of December 31, 2022 no component unit has been identified as reportable to the District, 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**

##### **Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and 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 resources of the District. The difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources of the District is reported as net position.



## Inverness Metropolitan Improvement District

### NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2022

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 the 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. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. Property taxes and intergovernmental revenues associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Other revenue items are considered to be measurable and available only when the District receives the cash.

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 reported 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.

## **Inverness Metropolitan Improvement District**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2022**

*The capital project fund* is used to account for financial resources to be used for the acquisition and construction of capital facilities and other assets.

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires District management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### **Budgetary Information**

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget 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.

#### **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 minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility.

#### **Interfund Balances**

The District reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds. The interfund balances have been eliminated in the government-wide statements.

#### **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

## Inverness Metropolitan Improvement District

### NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2022

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 inflows of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

#### Capital Assets

Capital assets, which include primarily land, infrastructure, and related improvements, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. 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 assets or materially extend the life of the asset are not capitalized. Landscaping and parks are not depreciated.

Upon completion of construction, certain infrastructure projects are conveyed to Arapahoe and Douglas Counties, Colorado or recorded in the District's general fixed assets. Depreciation expense is computed using the straight-line method over the assets' estimated economic lives as follows:

Sidewalks and Bridges	20 years
Median Improvements	30 year
Signage, Traffic Signals and Street Lights	7 years
Fiber Optics	7 years
Other	5-10 years

#### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has no items that qualify for reporting in this category.

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

## **Inverness Metropolitan Improvement District**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2022**

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 District's practice to use restricted resources first, then unrestricted as they are needed.

##### 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. As of December 31, 2022, the District uses five classifications: nonspendable, restricted, committed, assigned and unassigned, as described below.

The following classifications describe the relative strength of the spending constraints:

Non-spendable 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 is legally or contractually required to be maintained intact.

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

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the District's highest level of decision making authority, the Board of Directors, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Directors. The District had \$131,019 committed for capital projects at December 31, 2022.

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

## Inverness Metropolitan Improvement District

### NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2022

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 above criteria.

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

#### State audit law

Colorado Revised Statutes require that local governments submit audited financial statements for the calendar year end by July 31 or September 30, if granted an extension, of the following year. The District was not in compliance with this statutory requirement.

#### Note 3 - Cash and Investments

Cash and investments as of December 31, 2022 are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$ 3,549,521
Cash and investments-Restricted	195,519
Total cash and investments	<u>\$ 3,745,040</u>

Cash and investments as of December 31, 2022 consist of the following:

Deposits with financial institutions	\$ 47,936
Investments	<u>3,697,104</u>
Total cash and investments	<u>\$ 3,745,040</u>

#### 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 equal to 102% of the aggregate uninsured deposits.

## **Inverness Metropolitan Improvement District**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2022**

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, 2022, the District's cash deposits had a bank balance of \$97,225 and a carrying balance of \$47,936.

#### **Investments**

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

The District generally limits its investment to those which are believed to have minimal interest rate risk and no foreign currency risk. Additionally, the district is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk 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 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 repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

#### **Fair Value Measurement and Application**

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District's investment is not

**Inverness Metropolitan Improvement District**

**NOTES TO FINANCIAL STATEMENTS**  
**(continued)**

**December 31, 2022**

required to be categorized within the fair value hierarchy. This investment's value is calculated using the net asset value method (NAV) per share.

As of December 31, 2022, the District had the following investment:

<b>Investment</b>	<b>Amount</b>
Colorado Liquid Asset Trust (Colotrust)	<u>\$ 3,697,104</u>
Total investments	<u><u>\$ 3,697,104</u></u>

**Colotrust**

The District invested in the Colorado Local Government Liquid Asset Trust (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 offers shares in three portfolios: Colotrust Prime, Colotrust Plus+, and Colotrust Edge. Colotrust Prime and Colotrust Plus+ operate similarly to a money market fund and each share is equal in value to \$1.00 and offer daily liquidity. 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 repurchase agreements collateralized by certain obligations of U.S. government agencies. Colotrust Edge offers weekly liquidity and is managed to approximate \$10.00 transactional share price. Colotrust Edge may invest in securities authorized by CRS 24-75-601, and is rated AAf/S1 by Fitch Ratings. A designated custodial bank serves as custodian 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. The District invested in Colotrust Plus+ during 2022. The portfolio is rated AAAm by Standard and Poor's. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**Inverness Metropolitan Improvement District**

**NOTES TO FINANCIAL STATEMENTS**  
(continued)

**December 31, 2022**

**Note 4 – Capital Assets**

An analysis of the changes in capital assets for the year ended December 31, 2022, follows:

	Balances 12/31/2021	Additions	Deletions	Balances 12/31/2022
<b>Governmental Activities:</b>				
Capital Assets, not being depreciated				
Construction In Progress	\$ 1,103,830	\$ 371,491	\$ (357,924)	\$ 1,117,397
Water Tap Fees	66,856	-	-	66,856
Land and Easements	6,701	-	-	6,701
Landscaping	4,804,855	46,369	-	4,851,224
Parks and Recreational Facilities	3,797,623	-	-	3,797,623
Roads	700,145	168,867	-	869,012
Total Capital Assets, not being depreciated	<u>10,480,010</u>	<u>586,727</u>	<u>(357,924)</u>	<u>10,708,813</u>
Capital Assets, being depreciated				
Sidewalks	4,298,033	-	-	4,298,033
Median Improvements	341,119	12,280	-	353,399
Bridges	2,311,166	-	-	2,311,166
Fiber Optics	68,351	-	-	68,351
Signage	3,802,981	130,408	-	3,933,389
Traffic Signals/Street Lights	2,574,827	-	-	2,574,827
Other	424,453	-	-	424,453
Total Capital Assets, being depreciated	<u>13,820,930</u>	<u>142,688</u>	<u>-</u>	<u>13,963,618</u>
Less Accumulated Depreciation				
Sidewalks	(1,971,953)	(174,834)	-	(2,146,787)
Median Improvements	(255,303)	(11,780)	-	(267,083)
Bridges	(698,657)	(69,633)	-	(768,290)
Fiber Optics	(68,352)	-	-	(68,352)
Signage	(2,611,629)	(343,317)	-	(2,954,946)
Traffic Signals/Street Lights	(2,353,382)	(44,584)	-	(2,397,966)
Building	(418,413)	(1,510)	-	(419,923)
Total Accumulated Depreciation	<u>(8,377,689)</u>	<u>(645,658)</u>	<u>-</u>	<u>(9,023,347)</u>
Total Capital Assets, Being Depreciated, Net	<u>5,443,241</u>	<u>(502,970)</u>	<u>-</u>	<u>4,940,271</u>
Governmental Activities Capital Assets, Net	<u>\$ 15,923,251</u>	<u>\$ 83,757</u>	<u>\$ (357,924)</u>	<u>\$ 15,649,084</u>

Depreciation expense was charged to public works for the year ended December 31, 2022, in the amount of \$645,658.



**Inverness Metropolitan Improvement District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022**

**Note 5 – Long-Term Debt**

Changes in long-term debt for the year ended December 31, 2022 are summarized as follows:

	Balances 12/31/2021	Borrowings	Repayments	Balances 12/31/2022	Due Within One Year
2012 GO Refunding and Improvement Bonds	<u>\$ 630,000</u>	<u>\$ -</u>	<u>\$ 630,000</u>	<u>\$ -</u>	<u>\$ -</u>

**\$5,995,000 Series 2012 General Obligation Refunding and Improvement Bonds**

On April 3, 2012, the District issued \$5,995,000 General Obligation Improvement Bonds, Series 2012. The proceeds were used to refund the District's Limited Tax General Obligation Bonds Series 1999B and to provide \$3,979,000 of new funds for capital improvements. Principal payments are due annually on December 1, through 2022. Interest payments are due semi-annually on June 1 and December 1, accruing at 2.39%. The Series 2012 Bonds are subject to mandatory sinking fund redemption commencing on December 31, 2012. The Series 2012 Bonds are secured by pledged property tax revenues derived by the required mill levy. On December 1, 2022, the District's Series 2012 Bonds were paid off.

**Debt Authorization**

At the November 1, 2011 election, a majority of the District's qualified voters authorized the issuance of general obligation indebtedness in an amount not to exceed \$4,000,000 for public improvements, all of which was issued by the issuance of the District's General Obligation Refunding and Improvement Bonds, Series 2012. At the November 3, 2015 election, a majority of the District's qualified voters authorized an additional amount not to exceed \$20,000,000 for public improvements, none of which has been issued. At December 31, 2022, the District had a total authorized but unissued debt of \$20,000,000 for public improvements.

**Note 6 – Net Position**

The District's net position consists 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, 2022, the District had net investment in capital assets in the amount of \$15,649,084.

**Inverness Metropolitan Improvement District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022**

Restricted assets include net position that is 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, 2022, the District has restricted net position of \$64,500 for Emergency Reserves.

As of December 31, 2022, the District has unrestricted net position of \$3,520,792.

**Note 7 – Excluded Properties**

The District has excluded approximately 80 acres under various agreements dated between 2005 and 2019. The District will continue to provide facilities, services and programs to these properties in the same manner and to the same extent as prior to the exclusions. These property owners are obligated to pay debt service property taxes for the debt existing prior to the exclusion and also pay a tax equivalency fee for general fund services and debt services on bonds issued after the exclusion.

**Note 8 – Interfund Transfers**

The transfer from the General Fund to the Capital Projects Fund was to support capital expenditures.

**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; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool ("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, 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.

**Note 10 - Tax, Spending and Debt Limitation**

Article X, Section 20 of the Colorado Constitution, referred to 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.

**Inverness Metropolitan Improvement District**

**NOTES TO FINANCIAL STATEMENTS**  
**(continued)**

**December 31, 2022**

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 and benefit increases.

On November 3, 1998, the District voters authorized the District to impose new taxes, increase the tax rate, and increase the present and future mill levies above those of the prior year, not to exceed a total of 6 mills, in addition to the mill levies for general obligation bonds or other multiple fiscal year obligations and change District tax policies whether or not the change would directly cause a net revenue gain to the District, to the extent necessary or desirable to provide for District capital improvements.

In addition, on May 2, 2000, the District voters authorized the District to operate without regard to any revenue limitations under TABOR or any other law or the emergency reserve requirement under TABOR.

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

## SUPPLEMENTAL INFORMATION

**Inverness Metropolitan Improvement District**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - DEBT SERVICE FUND**

**For the Year Ended December 31, 2022**

	<b>Original and Final Budget Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>			
Property taxes	\$ 587,000	\$ 570,304	\$ (16,696)
Excluded property fees	103,000	103,042	42
<b>Total revenues</b>	<u>690,000</u>	<u>673,346</u>	<u>(16,654)</u>
<b>EXPENDITURES</b>			
General government			
Treasurer's fees	10,400	9,325	1,075
Debt service			
Principal	630,000	630,000	-
Interest and fiscal charges	20,257	15,093	5,164
Contingency	20,000	-	20,000
<b>Total expenditures</b>	<u>680,657</u>	<u>654,418</u>	<u>26,239</u>
<b>Excess of expenditures over (under) revenues</b>	9,343	18,928	9,585
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>9,343</u>	<u>18,928</u>	<u>9,585</u>
<b>Fund balances - beginning</b>	<u>150,993</u>	<u>112,091</u>	<u>(38,902)</u>
<b>Fund balances - ending</b>	<u>\$ 160,336</u>	<u>\$ 131,019</u>	<u>\$ (29,317)</u>

**Inverness Metropolitan Improvement District**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND**

**For the Year Ended December 31, 2022**

	<b>Original and Final Budget Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>			
<b>Total revenues</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>EXPENDITURES</b>			
Branding - signage	250,000	129,846	120,154
J Derry park improvements	100,000	-	100,000
J Derry park irrigation improvements	50,000	-	50,000
Street overlays and improvements	350,000	2,040	347,960
Dry Creek road improvements	110,000	12,280	97,720
County Line interchange	100,000	167,167	(67,167)
Bicycle and pedestrian projects	727,200	135,525	591,675
Street light improvements	319,000	-	319,000
Sign additions and replacements	25,000	-	25,000
Landscaping improvements	50,000	37,902	12,098
Road improvements - crosswalks	35,000	-	35,000
Contingency	50,000	-	50,000
<b>Total expenditures</b>	<u>2,166,200</u>	<u>484,760</u>	<u>1,681,440</u>
<b>Excess of expenditures over (under) revenues</b>	(2,166,200)	(484,760)	1,681,440
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	2,166,200	404,273	(1,761,927)
<b>Total other financing sources (uses)</b>	<u>2,166,200</u>	<u>404,273</u>	<u>(1,761,927)</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>(80,487)</u>	<u>(80,487)</u>
<b>Fund balances - beginning</b>	<u>-</u>	<u>80,487</u>	<u>80,487</u>
<b>Fund balances - ending</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**Inverness Metropolitan Improvement District**

**SCHEDULE OF ASSESSED VALUATION,  
MILL LEVY, AND PROPERTY TAXES COLLECTED**

**December 31, 2022**

Year ended December 31, (By County)	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt	Levied	Collected	
2017						
Arapahoe County	\$ 190,273,151	4.650	2.100	\$ 1,284,344		
Douglas County	103,973,770	4.650	2.100	701,823		
	<u>\$ 294,246,921</u>			<u>\$ 1,986,167</u>	<u>\$ 1,960,385</u>	98.70%
2018						
Arapahoe County	\$ 219,464,736	4.250	1.800	\$ 1,327,762		
Douglas County	115,485,070	4.250	1.800	698,685		
	<u>\$ 334,949,806</u>			<u>\$ 2,026,447</u>	<u>\$ 2,014,771</u>	99.42%
2019						
Arapahoe County	\$ 220,608,994	4.350	1.800	\$ 1,356,745		
Douglas County	110,208,860	4.350	1.800	677,785		
	<u>\$ 330,817,854</u>			<u>\$ 2,034,530</u>	<u>\$ 1,996,639</u>	98.14%
2020						
Arapahoe County	\$ 244,573,411	4.500	1.650	\$ 1,504,126		
Douglas County	107,873,670	4.500	1.650	663,424		
	<u>\$ 352,447,081</u>			<u>\$ 2,167,550</u>	<u>\$ 1,971,945</u>	90.98%
2021						
Arapahoe County	\$ 242,403,217	4.500	1.650	\$ 1,490,780		
Douglas County	107,888,480	4.500	1.650	663,514		
	<u>\$ 350,291,697</u>			<u>\$ 2,154,294</u>	<u>\$ 2,040,840</u>	94.73%
2022						
Arapahoe County	\$ 255,474,215	4.500	1.650	\$ 1,616,016		
Douglas County	103,640,490	4.500	1.650	592,540		
	<u>\$ 359,114,705</u>			<u>\$ 2,208,556</u>	<u>\$ 2,125,952</u>	96.26%
2023 (Estimated)						
Arapahoe County	\$ 240,059,435	4.500	-	\$ 1,080,267		
Douglas County	108,118,990	4.500	-	486,535		
	<u>\$ 348,178,425</u>			<u>\$ 1,566,802</u>		

**Note:**

Property taxes collected in any one year include collection of delinquent property taxes levied and /or abatements from valuations in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.