

DOVE VALLEY METROPOLITAN DISTRICT
Arapahoe County, Colorado

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

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INSERT INDEPENDENT AUDITOR'S REPORT

BASIC FINANCIAL STATEMENTS

**DOVE VALLEY METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 9,960,286
Cash and Investments - Restricted	2,858,795
Prepaid Insurance	14,485
Receivable from County Treasurer	23,362
Property Tax Receivable	4,960,233
Capital Assets:	
Capital Assets Not Being Depreciated	768,135
Capital Assets Net of Depreciation	<u>939,255</u>
Total Assets	<u>19,524,551</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Cost on Refunding	<u>720,757</u>
Total Deferred Outflows of Resources	<u>720,757</u>
 LIABILITIES	
Accounts Payable	139,371
Accrued Bond Interest	116,233
Noncurrent Liabilities:	
Due Within One Year	1,600,000
Due in More Than One Year	<u>37,219,243</u>
Total Liabilities	<u>39,074,847</u>
 DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>4,960,233</u>
Total Deferred Inflows of Resources	<u>4,960,233</u>
 NET POSITION	
Net Investment in Capital Assets	(360,823)
Restricted for:	
Emergency Reserve	63,500
Conservation Trust	148,517
Debt Service	2,487,217
Unrestricted	<u>(26,128,183)</u>
 Total Net Position	 <u><u>\$ (23,789,772)</u></u>

See accompanying Notes to Basic Financial Statements.

**DOVE VALLEY METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net Revenues (Expenses) and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	1,111,113	\$ -	\$ 25,950	\$ -	\$ (1,085,163)
Transfer of Public Improvements to Another Government	1,604,719	-	-	-	(1,604,719)
Interest on Long-Term Debt and Related Costs	1,486,880	-	-	-	(1,486,880)
Total Governmental Activities	<u>\$ 4,202,712</u>	<u>\$ -</u>	<u>\$ 25,950</u>	<u>\$ -</u>	(4,176,762)
GENERAL REVENUES					
Property Taxes					4,536,498
Specific Ownership Taxes					310,627
Interest Income					715,092
Total General Revenues and Transfers					<u>5,562,217</u>
CHANGES IN NET POSITION					1,385,455
Net Position - Beginning of Year					<u>(25,175,227)</u>
NET POSITION - END OF YEAR					<u>\$ (23,789,772)</u>

See accompanying Notes to Basic Financial Statements.

**DOVE VALLEY METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 9,960,286	\$ -	\$ -	\$ -	\$ 9,960,286
Cash and Investments - Restricted	63,500	154,517	2,587,806	52,972	2,858,795
Receivable from County Treasurer	7,716	-	15,646	-	23,362
Due from Other Funds	-	-	682,000	-	682,000
Prepaid Insurance	14,485	-	-	-	14,485
Property Tax Receivable	1,904,825	-	3,055,408	-	4,960,233
Total Assets	<u>\$ 11,950,812</u>	<u>\$ 154,517</u>	<u>\$ 6,340,860</u>	<u>\$ 52,972</u>	<u>\$ 18,499,161</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 85,087	\$ 1,312	\$ -	\$ 52,972	\$ 139,371
Due to Other Funds	682,000	-	-	-	682,000
Total Liabilities	<u>767,087</u>	<u>1,312</u>	<u>-</u>	<u>52,972</u>	<u>821,371</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Property Tax	1,904,825	-	3,055,408	-	4,960,233
Total Deferred Inflows of Resources	<u>1,904,825</u>	<u>-</u>	<u>3,055,408</u>	<u>-</u>	<u>4,960,233</u>
FUND BALANCES					
Nonspendable:					
Prepaid Expense	14,485	-	-	-	14,485
Restricted for:					
Emergency Reserves	63,500	-	-	-	63,500
Debt Service	-	-	3,285,452	-	3,285,452
Committed:					
Operations	-	153,205	-	-	153,205
Unassigned	9,200,915	-	-	-	9,200,915
Total Fund Balances	<u>9,278,900</u>	<u>153,205</u>	<u>3,285,452</u>	<u>-</u>	<u>12,717,557</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,950,812</u>	<u>\$ 154,517</u>	<u>\$ 6,340,860</u>	<u>\$ 52,972</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.					1,707,390
Bonds Payable					(34,870,000)
Accrued Bond Interest					(116,233)
Unamortized Cost of Bond Refunding					720,757
Unamortized Bond Premium					(3,949,243)
Net Position of Governmental Activities					<u>\$ (23,789,772)</u>

See accompanying Notes to Basic Financial Statements.

**DOVE VALLEY METROPOLITAN DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ 12,717,557

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

Capital Assets, Not Being Depreciated 768,135

Capital Assets, Net 939,255

Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.

Unamortized Cost of Bond Refunding 720,757

Deferred inflows of resources for leases are applicable to future periods, and, therefore, are not reported in the governmental funds.

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds Payable (34,870,000)

Unamortized Bond Premium (3,949,243)

Accrued Bond Interest (116,233)

Net Position of Governmental Activities \$ (23,789,772)

See accompanying Notes to Basic Financial Statements.

DOVE VALLEY METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
REVENUES					
Property Taxes	\$ 1,496,638	\$ -	\$ 3,039,860	\$ -	\$ 4,536,498
Specific Ownership Taxes	110,675	-	199,952	-	310,627
CTF Proceeds	-	25,950	-	-	25,950
Interest Income	508,237	7,158	191,168	8,529	715,092
Total Revenues	2,115,550	33,108	3,430,980	8,529	5,588,167
EXPENDITURES					
Current:					
Accounting	60,442	-	-	-	60,442
Auditing	5,500	-	-	-	5,500
County Treasurer's Fee	22,680	-	45,693	-	68,373
Directors' Fees	1,700	-	-	-	1,700
District Management	33,450	-	-	416	33,866
Dues And Membership	657	-	-	-	657
Election	942	-	-	-	942
Engineering	10,064	-	-	-	10,064
Insurance	12,885	-	-	-	12,885
Irrigation Expense	87,969	-	-	-	87,969
Landscaping	166,801	-	-	-	166,801
Legal	81,838	-	-	34,566	116,404
Miscellaneous	1,833	-	-	-	1,833
Payroll Taxes	130	-	-	-	130
Street Lights - Utilities	84,485	-	-	-	84,485
Street Lights - Asset	-	-	-	14,611	14,611
Utilities Locates	44,026	-	-	-	44,026
Happy Canyon Trail Mowing	-	1,312	-	-	1,312
Debt Service:					
Bond Interest	-	-	1,456,200	-	1,456,200
Bond Principal	-	-	1,535,000	-	1,535,000
Capital Projects:					
Project Management	-	-	-	85,302	85,302
Fremont Ave. Urban Trail	-	-	-	10,912	10,912
Lone Tree Creek Trail	-	-	-	250,000	250,000
Total Expenditures	615,402	1,312	3,036,893	395,807	4,049,414
OTHER FINANCING SOURCES (USES)					
Transfers In (Out)	(847,023)	-	682,000	165,023	-
Total Other Financing Sources (Uses)	(847,023)	-	682,000	165,023	-
NET CHANGE IN FUND BALANCES	653,125	31,796	1,076,087	(222,255)	1,538,753
Fund Balances - Beginning of Year	8,625,775	121,409	2,209,365	222,255	11,178,804
FUND BALANCES - END OF YEAR	<u>\$ 9,278,900</u>	<u>\$ 153,205</u>	<u>\$ 3,285,452</u>	<u>\$ -</u>	<u>\$ 12,717,557</u>

See accompanying Notes to Basic Financial Statements.

**DOVE VALLEY METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ 1,538,753

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 capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Depreciation Expense	(98,592)
Transfer of Public Improvements to Other Governments	(1,604,719)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.

Current Year Bond Principal Payment	1,535,000
Amortization of Cost on 2015/2019 Bond Refunding	(432,160)
Amortization of Bond Premium	442,056

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 Interest Payable - Change in Liability	5,117
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Changes in Net Position of Governmental Activities	\$ 1,385,455
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See accompanying Notes to Basic Financial Statements.

**DOVE VALLEY METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 1,502,507	\$ 1,496,638	\$ (5,869)
Specific Ownership Taxes	90,150	110,675	20,525
Interest Income	75,000	508,237	433,237
Total Revenues	1,667,657	2,115,550	447,893
EXPENDITURES			
Accounting	35,650	60,442	(24,792)
Auditing	5,200	5,500	(300)
Contingency	1,606	-	1,606
County Treasurer's Fee	22,538	22,680	(142)
Directors' Fees	3,200	1,700	1,500
District Management	35,000	33,450	1,550
Dues And Membership	1,500	657	843
Election	2,000	942	1,058
Engineering	5,000	10,064	(5,064)
Insurance	12,000	12,885	(885)
Irrigation Expense	110,000	87,969	22,031
Landscaping	110,000	166,801	(56,801)
Legal	50,000	81,838	(31,838)
Miscellaneous	3,164	1,833	1,331
Payroll Taxes	245	130	115
Repairs And Maintenance	10,000	-	10,000
Street Lights - Utilities	110,000	84,485	25,515
Utilities Locates	3,000	44,026	(41,026)
Total Expenditures	520,103	615,402	(95,299)
EXCESS OF REVENUES OVER EXPENDITURES	1,147,554	1,500,148	352,594
OTHER FINANCING SOURCES (USES)			
Transfers To Other Fund	(1,500,000)	(847,023)	652,977
Total Other Financing Sources (Uses)	(1,500,000)	(847,023)	652,977
NET CHANGE IN FUND BALANCE	(352,446)	653,125	1,005,571
Fund Balance - Beginning of Year	8,546,438	8,625,775	79,337
FUND BALANCE - END OF YEAR	<u>\$ 8,193,992</u>	<u>\$ 9,278,900</u>	<u>\$ 1,084,908</u>

See accompanying Notes to Basic Financial Statements.

**DOVE VALLEY METROPOLITAN DISTRICT
SPECIAL REVENUE FUND – CONSERVATION TRUST
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
CTF Proceeds	22,000	25,950	3,950
Interest Income	3,000	7,158	4,158
Total Revenues	25,000	33,108	8,108
EXPENDITURES			
Happy Canyon Trail Mowing	8,000	1,312	6,688
Miscellaneous	1,000	-	1,000
Total Expenditures	9,000	1,312	7,688
NET CHANGE IN FUND BALANCE	16,000	31,796	15,796
Fund Balance - Beginning of Year	120,074	121,409	1,335
FUND BALANCE - END OF YEAR	<u>\$ 136,074</u>	<u>\$ 153,205</u>	<u>\$ 17,131</u>

See accompanying Notes to Basic Financial Statements.

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 DEFINITION OF REPORTING ENTITY

Dove Valley Metropolitan District (the District), is a quasi-municipal corporation located in Arapahoe County, Colorado and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized on April 30, 1984, and was established to provide street improvements, traffic and safety control devices, parks and recreational facilities, and transportation services that benefit the citizens of the District.

In December 1988 and in January 2000, the District amended its Service Plan to include the operation and/or maintenance of water and sanitation services, local sanitary and drainage facilities and streets, either independently or pursuant to intergovernmental agreements with Arapahoe County, Parker Jordan Metropolitan District and Douglas County, as appropriate. In October 2004, the District again modified its Service Plan to reflect a modified Financial Plan and to grant the District the authority to issue the remaining voted debt in the amount of \$18,000,000.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and intergovernmental revenues. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

Special Revenue Fund – The Conservation Trust Fund is used to account for resources for Conservation Trust Fund eligible expenditures.

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 or construction of major capital facilities and other assets.

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, 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 and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Capital Assets

Capital assets, which include property and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported 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 acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities, as well as capital assets being constructed which the District may operate and maintain, are recorded as construction in progress/not yet conveyed.

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 that will be dedicated to other governmental entities are not depreciated. Improvements to be owned by the District are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Street Lights	20 Years
Monumentation	20 Years

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

Amortization – Original Issue Discount/Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Cost of Bond Refunding

In the government-wide financial statements, the cost of bond refunding is being amortized using the interest method over the life of the old loan to the maturity of the 2019 Bond (December 1, 2025). The amortization amount is a component of interest expense, and the unamortized deferred cost is reflected as a deferred outflow of resources.

Deferred Outflow/Inflow 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 one item that qualifies for reporting in this category which is the amortization of cost on 2015 and 2019 bond refunding (discussed above).

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only 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 amounts become available.

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

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

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

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

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:

Cash and Investments	\$ 9,960,286
Cash and Investments - Restricted	<u>2,858,795</u>
Total Cash and Investments	<u><u>\$ 12,819,081</u></u>

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

Deposits with Financial Institutions	\$ 114,014
Investments	<u>12,705,067</u>
Total Cash and Investments	<u><u>\$ 12,819,081</u></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 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.

On December 31, 2023, the District's cash deposits had a bank and carrying balance of \$114,014.

Investments

The District has adopted a formal investment policy wherein the District follows state statutes regarding investments.

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

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

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

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

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 12,705,067
		<u>\$ 12,705,067</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, 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 any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

The following is an analysis of the changes in the District's capital assets for the year ended December 31, 2023:

	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress				
Trails	\$ 768,135	\$ -	\$ -	\$ 768,135
Medians	86,671	-	86,671	-
Streets/Other	1,518,048	-	1,518,048	-
Total Capital Assets, Not Being Depreciated	2,372,854	-	1,604,719	768,135
Capital Assets, Being Depreciated:				
Street Lights	765,337	-	-	765,337
Monumentation	1,206,405	-	-	1,206,405
Total Capital Assets, Being Depreciated	1,971,742	-	-	1,971,742
Less Accumulated Depreciation for:				
Street Lights	(333,872)	(38,268)	-	(372,140)
Monumentation	(600,023)	(60,324)	-	(660,347)
Total Accumulated Depreciation	(933,895)	(98,592)	-	(1,032,487)
Total Capital Assets, Being Depreciated, Net	1,037,847	(98,592)	-	939,255
Governmental Activities Capital Assets, Net	<u>\$ 3,410,701</u>	<u>\$ (98,592)</u>	<u>\$ 1,604,719</u>	<u>\$ 1,707,390</u>

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government as follows:

General Government	<u>\$ 98,592</u>
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It is the policy of Arapahoe County and the City of Centennial to accept the maintenance responsibility for improvements only after a probationary period following the completion of construction. Upon final acceptance of the streets by the County or the City, the District will remove the costs of construction from its capital assets. The District will maintain the ownership and maintenance of the District-owned street lighting and monumentation once those projects are completed.

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, 2023:

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Current Portion
Bonds Payable:					
G.O. Refunding Bonds					
Series 2019	\$ 36,405,000	\$ -	\$ 1,535,000	\$ 34,870,000	\$ 1,600,000
Premium	4,391,299	-	442,056	3,949,243	-
Total	<u>\$ 40,796,299</u>	<u>\$ -</u>	<u>\$ 1,977,056</u>	<u>\$ 38,819,243</u>	<u>\$ 1,600,000</u>

\$40,625,000 General Obligation Refunding Bonds, Series 2019

On December 12, 2019, the District issued \$40,625,000 of General Obligation Refunding Bonds (Series 2019 Bonds). The Series 2019 Bonds bear a stated interest rate of 4.00% (2.122% yield) payable semi-annually on June 1 and December 1, commencing on June 1, 2020, and mature on each December 1 of each year commencing in 2020 through 2039. Bonds maturing on and after December 1, 2030, are subject to redemption prior to their respective maturities, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, on December 1, 2029, and on any date thereafter, upon payment of par and accrued interest, without redemption premium. Proceeds from the Series 2019 Bonds were used to advance refund the outstanding Series 2010 Bonds and the Series 2015 Loan and pay the costs of the issuance of the Series 2019 Bonds.

The Series 2019 Bonds are insured by Build America Mutual Assurance Company (BAM). BAM is rated AA by Standard and Poor's.

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

\$40,625,000 General Obligation Refunding Bonds, Series 2019 (Continued)

Events of Default

The occurrence or existence of any one or more of the following events shall be an Event of Default:

- (a) Payment of the principal, redemption premium (if any) interest on any Bond is not made by the District when due;
- (b) The District defaults in the performance of any other of its covenants in the Bond Resolution and such default continues for sixty (60) days after written notice of the default;
- (c) The District files a petition for bankruptcy.

In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds.

The Series 2019 Bonds principal and interest will mature as follows:

Authorized Debt

On December 31, 2023, the District had authorized but unissued indebtedness of \$6,270,000. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

Year Ending December 31.	Bonded Debt		Total
	Principal	Interest	
2024	\$ 1,600,000	\$ 1,394,800	\$ 2,994,800
2025	1,660,000	1,330,800	2,990,800
2026	1,730,000	1,264,400	2,994,400
2027	1,795,000	1,195,200	2,990,200
2028	1,870,000	1,123,400	2,993,400
2029-2033	10,530,000	4,433,600	14,963,600
2034-2038	12,810,000	2,152,200	14,962,200
2039	2,875,000	115,000	2,990,000
Total	<u>\$ 34,870,000</u>	<u>\$ 13,009,400</u>	<u>\$ 47,879,400</u>

NOTE 6 NET POSITION

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

The net investment in capital assets component of net position 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, 2023, the District had the following net investment in capital assets, calculated as follows:

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 NET POSITION (CONTINUED)

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 1,707,390
Less Capital Related Debt:	
Bonds Payable	(3,613,861)
Cost on Bond Refunding	74,698
Bond Premium	(409,292)
Net Investment in Capital Assets	<u>\$ (2,241,065)</u>

The restricted component of net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position at December 31, 2023, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserve	\$ 63,500
Debt Service Reserve	2,487,217
Conservation Trust Fund	148,517
Total Restricted Net Position	<u>\$ 2,699,234</u>

The District has a deficit in the net investment in capital assets and unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements, a portion of which have been conveyed and/or will be conveyed to other governmental entities.

NOTE 7 AGREEMENTS

Intergovernmental Agreement Regarding Construction and Cost Sharing of Traffic Signals

On January 12, 2004, the District entered into the Intergovernmental Agreement Regarding Construction and Cost Sharing of Traffic Signals with Arapahoe County (the County) for the design, construction, and cost sharing of various traffic signals within the District and unincorporated portions of the County. Pursuant to the agreement, the parties agreed to certain cost sharing levels for various traffic signals, as outlined in the agreement. The District's cost share participation ranges from 25% to 100% depending on the roadway classifications: (i) major arterial/major arterial intersection (25% participation share), (ii) major arterial/minor arterial intersection (50% participation share), (iii) major collector/major or minor arterial (75% participation share), and (iv) private roads and other roadways (100% participation share). The ultimate amount the District could be responsible for under the agreement is subject to when and if warrants have been met, as explained below.

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 AGREEMENTS (CONTINUED)

Intergovernmental Agreement Regarding Construction and Cost Sharing of Traffic Signals

Pursuant to the agreement, the District deposited \$495,000 with the County for the District's respective share of certain "Category 1 Traffic Signals" (Category 1 Traffic Signals are defined as those signals that meet Intersection Classification Requirements (defined as those traffic signals located at streets classified as major collectors or above intersecting with major or minor arterials)). The County will maintain a separate account for the funds deposited by the parties for the traffic signals. As such time the fund is reduced to an amount less than \$270,000, the County will notify the District and, within thirty days thereof, the District will deposit additional funds with the County so that the amount available is at least equal to \$270,000. To date, the County has not provided such notice to the District.

On or before September 15th of each fiscal year, the County shall provide the District with written notice which identifies the traffic signals that are anticipated to be warranted to be constructed in the following fiscal year together with the estimated costs of the traffic signals. If the cost of such a traffic signal increases by more than ten percent (10%) over the estimated amount estimated in the agreement, the County shall provide the District with written documentation explaining the increase in cost. Representatives from the County and the District shall meet to determine if there is a way to reduce such costs without having an adverse effect on the safety of the intersections. The District and the County shall budget and appropriate the necessary funds for the traffic signals identified in notice for such fiscal year in accordance with statutory requirements.

The County will provide the District with thirty (30) days written notice during each fiscal year that the agreement is in effect that warrants have been met for a traffic signal and the necessity to deposit the funds for the traffic signal with the County. The County and the District will deposit its participation share for such traffic signal(s) with the County and the County will proceed with construction of the traffic signal(s).

On October 23, 2006, the District and the County amended the agreement to provide cost sharing for an additional traffic signal at the intersection of Broncos Parkway and Peoria Street (with each party paying 50% of the associated costs) and to extend the term of the agreement through January 12, 2010.

On November 17, 2009, the District and the County further amended the agreement to extend the term of the agreement to January 12, 2013.

On September 24, 2013, with an effective date of January 12, 2013, the District and the County further amended the agreement whereby the parties agreed that in the event that the intersection locations of any of the traffic signals become annexed into the City of Centennial, the County will no longer be responsible for participating in the cost sharing of such traffic signals. To date, the location of three (3) of the traffic signals have been annexed into the City. The amendment further extended the term of the agreement to January 12, 2016, to be automatically renewed for each three-year period thereafter unless advance 90-day notice is given by either party.

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 AGREEMENTS (CONTINUED)

Intergovernmental Agreement with Arapahoe County Regarding the Maintenance Program for Trails Adjacent to the County Open Space Properties

Effective January 1, 2019, the District entered into an agreement with Arapahoe County (the County) regarding the trail maintenance program of trails adjacent to County open spaces. The term of the agreement shall be for one year beginning with the year ending December 31, 2019 and shall automatically renew for each of the next three years ending December 31, 2022, subject to annual appropriation and the right of either party to opt out by written notice at least 90 days prior to January 1 of the subsequent year. The District is responsible for all capital improvements or repairs to the trails and the County shall perform the maintenance of the trails. The District shall pay the County \$8,000 annually for the trail maintenance. In 2023, the District paid \$6,000 due to a \$2,000 credit given to the District by the County.

The District and the County are in the process of negotiating a new intergovernmental agreement for the trail maintenance.

Intergovernmental Agreement Regarding 2023 Grant of Arapahoe County Open Space Program Funds - Project Name: East Fremont Avenue Trail

On November 20, 2023, the District entered into the Intergovernmental Agreement Regarding 2023 Grant of Arapahoe County Open Space Program Funds – Project Name: East Fremont Avenue Trail with Arapahoe County (the County) whereby the County agreed to contribute an amount not to exceed \$479,200 to the District for the District's construction of a trail along East Fremont Avenue.

NOTE 8 RELATED PARTY

During 2023, one member of the Board of Directors was an employee, officer, or was otherwise associated with the developers within the District and may have had conflicts of interest in dealing with the District. The Board of Directors believes that all potential conflicts, if any, have been disclosed.

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

**DOVE VALLEY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 9 RISK MANAGEMENT (CONTINUED)

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments, except Enterprises.

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 benefit increases.

The District's management has taken steps it believes are necessary to comply 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.

SUPPLEMENTARY INFORMATION

**DOVE VALLEY METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 3,051,523	\$ 3,039,860	\$ (11,663)
Specific Ownership Taxes	183,091	199,952	16,861
Interest Income	60,000	191,168	131,168
Total Revenues	3,294,614	3,430,980	136,366
EXPENDITURES			
County Treasurer's Fee	45,773	45,693	80
Paying Agent Fees	5,000	-	5,000
Bond Interest	1,456,000	1,456,200	(200)
Bond Principal	1,535,000	1,535,000	-
Contingency	9,940	-	9,940
Total Expenditures	3,051,713	3,036,893	14,820
EXCESS OF REVENUES OVER EXPENDITURES	242,901	394,087	151,186
OTHER FINANCING SOURCES (USES)			
Transfers From Other Funds	-	682,000	682,000
Total Other Financing Sources	-	682,000	682,000
NET CHANGE IN FUND BALANCE	242,901	1,076,087	833,186
Fund Balance - Beginning of Year	2,212,224	2,209,365	(2,859)
FUND BALANCE - END OF YEAR	<u>\$ 2,455,125</u>	<u>\$ 3,285,452</u>	<u>\$ 830,327</u>

**DOVE VALLEY METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	\$ 1,000	\$ 8,529	\$ 7,529
Total Revenues	1,000	8,529	7,529
EXPENDITURES			
District Management	5,000	416	4,584
Project Management	10,000	85,302	(75,302)
Legal	10,000	34,566	(24,566)
Website	2,000	-	2,000
Medians-Potomac/Chambers/Broncos Pkwy	25,000	-	25,000
Fremont Ave. Urban Trail	550,000	10,912	539,088
Lone Tree Creek Trail	285,000	250,000	35,000
Trail Design	10,000	-	10,000
Street Lights - Asset	-	14,611	(14,611)
Contingency	500,000	-	500,000
Total Expenditures	1,397,000	395,807	1,001,193
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,396,000)	(387,278)	1,008,722
OTHER FINANCING SOURCES (USES)			
Transfers From Other Funds	1,500,000	165,023	(1,334,977)
Total Other Financing Sources (Uses)	1,500,000	165,023	(1,334,977)
NET CHANGE IN FUND BALANCE	104,000	(222,255)	(326,255)
Fund Balance - Beginning of Year	225,039	222,255	(2,784)
FUND BALANCE - END OF YEAR	\$ 329,039	\$ -	\$ (329,039)

OTHER INFORMATION

**DOVE VALLEY METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023**

Bonds/Loans and Interest Maturing in the Year Ending December 31,	\$40,625,000 General Obligation Refunding Bonds - Series 2019		
	Issued December 12, 2019		
	Stated Interest Rate at 4.00% (Yield 2.122%)		
	Interest Payable June 1 and December 1		
	Principal Due December 1		
	Principal	Interest	Total
2024	\$ 1,600,000	\$ 1,394,800	\$ 2,994,800
2025	1,660,000	1,330,800	2,990,800
2026	1,730,000	1,264,400	2,994,400
2027	1,795,000	1,195,200	2,990,200
2028	1,870,000	1,123,400	2,993,400
2029	1,945,000	1,048,600	2,993,600
2030	2,020,000	970,800	2,990,800
2031	2,105,000	890,000	2,995,000
2032	2,185,000	805,800	2,990,800
2033	2,275,000	718,400	2,993,400
2034	2,365,000	627,400	2,992,400
2035	2,460,000	532,800	2,992,800
2036	2,560,000	434,400	2,994,400
2037	2,660,000	332,000	2,992,000
2038	2,765,000	225,600	2,990,600
2039	2,875,000	115,000	2,990,000
Total	<u>\$ 34,870,000</u>	<u>\$ 13,009,400</u>	<u>\$ 47,879,400</u>

DOVE VALLEY METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	Mills Levied	Total Property Taxes		Percentage Collected to Levied
			Levied	Collected	
2019	\$ 234,018,948	16.860	\$ 3,922,715	\$ 3,802,293	96.93 %
2020	275,632,943	14.860	4,070,434	4,013,138	98.59
2021	281,872,209	15.521	4,346,691	4,318,460	99.35
2022	347,715,289	13.147	4,546,371	4,497,346	98.92
2023	348,768,840	13.128	4,554,030	4,536,498	99.62
Estimated for the Year Ending 2024	\$ 478,690,913	10.410	\$ 4,960,233		

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

**CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION
(UNAUDITED)**

DOVE VALLEY METROPOLITAN DISTRICT
TABLE I – COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGE IN FUND BALANCE – GENERAL FUND
2019-2023 (UNAUDITED)

	2019	2020	2021	2022	2023
REVENUES					
Property Taxes	\$ 1,063,718	\$ 1,100,146	\$ 1,287,461	\$ 1,480,840	\$ 1,496,638
Specific Ownership Taxes	86,074	79,076	89,316	98,668	\$ 110,675
Net Investment Income	106,668	45,588	4,574	149,109	508,237
Miscellaneous	6,830	16,333	-	26	-
Total Revenues	1,263,290	1,241,143	1,381,351	1,728,643	\$ 2,115,550
EXPENDITURES					
Accounting	55,719	65,086	31,764	33,237	60,442
Audit	4,014	4,400	4,800	5,200	5,500
County Treasurer's Fees	15,980	16,534	19,332	22,332	22,680
Director Fees	1,800	2,000	1,200	400	1,700
District Management	28,875	28,462	24,160	21,291	33,450
Dues and Subscriptions	-	1,238	1,238	647	657
Election Expenses	-	1,288	-	340	942
Engineering	11,489	5,787	7,145	2,500	10,064
Insurance	9,798	8,825	8,906	10,261	12,885
Irrigation	88,686	107,722	89,901	130,130	87,969
Landscape Maintenance	93,262	122,896	166,526	144,597	166,801
Legal	44,493	17,816	46,491	41,994	81,838
Miscellaneous	7,707	5,520	2,640	1,139	1,833
Payroll Taxes	-	252	92	31	130
Repairs and Maintenance	-	-	7,795	-	-
Street Lights	83,903	85,502	100,312	63,553	84,485
Utility Locates	-	-	2,192	13,145	44,026
Total Expenditures	445,726	473,328	514,494	490,797	615,402
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	817,564	767,815	866,857	1,237,846	1,500,148
OTHER FINANCING SOURCES (USES)					
Transfer to Other Funds	-	(70,000)	-	-	(847,023)
Total Other Financing Sources (Uses)	-	(70,000)	-	-	(847,023)
NET CHANGE IN FUND BALANCE	817,564	697,815	866,857	1,237,846	653,125
Fund Balance - Beginning of Year	5,005,693	5,823,257	6,521,072	7,387,929	8,625,775
FUND BALANCE - END OF YEAR	<u>\$ 5,823,257</u>	<u>\$ 6,521,072</u>	<u>\$ 7,387,929</u>	<u>\$ 8,625,775</u>	<u>\$ 9,278,900</u>

DOVE VALLEY METROPOLITAN DISTRICT
TABLE II – COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGE IN FUND BALANCE – DEBT SERVICE FUND
2019-2023 (UNAUDITED)

	2019	2020	2021	2022	2023
REVENUES					
Property Taxes	\$ 2,738,575	\$ 2,912,992	\$ 3,030,999	\$ 3,016,506	\$ 3,039,860
Specific Ownership Taxes	221,458	209,375	210,259	200,783	199,952
Net Investment Income	39,318	21,371	4,186	72,285	191,168
Federal Direct Payment Subsidy	192,080	-	-	-	-
Total Revenues	<u>3,191,431</u>	<u>3,143,738</u>	<u>3,245,444</u>	<u>3,289,574</u>	<u>3,430,980</u>
EXPENDITURES					
Treasurer's Fees	41,133	43,778	45,508	45,500	45,693
Bond/Loan Principal	965,000	1,325,000	1,420,000	1,475,000	1,535,000
Bond/Loan Interest	1,604,061	1,575,347	1,572,000	1,515,200	1,456,200
Bond/Loan Issuance Costs	493,782	-	-	-	-
Paying Agent Fees	3,210	1,610	400	400	-
Total Expenditures	<u>3,107,186</u>	<u>2,945,735</u>	<u>3,037,908</u>	<u>3,036,100</u>	<u>3,036,893</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	84,245	198,003	207,536	253,474	394,087
OTHER FINANCING SOURCES (USES)					
Bond Premium	5,806,702	-	-	-	-
Refunding Loan Proceeds	40,625,000	-	-	-	-
Payment to Refunding Escrow	(46,475,662)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(43,960)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	40,285	198,003	207,536	253,474	394,087
Fund Balance - Beginning of Year	<u>1,510,067</u>	<u>1,550,352</u>	<u>1,748,355</u>	<u>1,955,891</u>	<u>2,209,365</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,550,352</u>	<u>\$ 1,748,355</u>	<u>\$ 1,955,891</u>	<u>\$ 2,209,365</u>	<u>\$ 2,603,452</u>

DOVE VALLEY METROPOLITAN DISTRICT
TABLE III – COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGE IN FUND BALANCE – CAPITAL PROJECTS FUND
2019-2023 (UNAUDITED)

	2019	2020	2021	2022	2023
REVENUES					
Interest Income	\$ 3,934	\$ 1,035	\$ 72	\$ 3,109	\$ 8,529
Miscellaneous	4,700	5,515	-	-	
Total Revenues	<u>8,634</u>	<u>6,550</u>	<u>72</u>	<u>3,109</u>	<u>8,529</u>
EXPENDITURES					
Legal	11,056	18,768	10,049	-	34,566
District Management	2,027	-	-	-	416
District Identity and Website	965	765	765	1,188	-
Project Management	51,690	15,599	7,464	-	85,302
Capital Improvements	<u>139,287</u>	<u>428,128</u>	<u>1,252,287</u>	<u>13,518</u>	<u>275,523</u>
Total Expenditures	<u>205,025</u>	<u>463,260</u>	<u>1,270,565</u>	<u>14,706</u>	<u>395,807</u>
EXCESS OF REVENUES OVER (UNDER)					
EXPENDITURES	(196,391)	(456,710)	(1,270,493)	(11,597)	(387,278)
OTHER FINANCING SOURCES (USES)					
Grant Proceeds	54,200	24,500	-	-	-
Transfer to Other Funds	-	70,000	-	-	165,023
Total Other Financing Sources (Uses)	<u>54,200</u>	<u>94,500</u>	<u>-</u>	<u>-</u>	<u>165,023</u>
NET CHANGE IN FUND BALANCE	(142,191)	(362,210)	(1,270,493)	(11,597)	(222,255)
Fund Balance - Beginning of Year	<u>2,008,746</u>	<u>1,866,555</u>	<u>1,504,345</u>	<u>233,852</u>	<u>222,255</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,866,555</u>	<u>\$ 1,504,345</u>	<u>\$ 233,852</u>	<u>\$ 222,255</u>	<u>\$ -</u>

DOVE VALLEY METROPOLITAN DISTRICT
TABLE IV – BUDGET SUMMARY AND COMPARISON – GENERAL FUND
(UNAUDITED)

	Final 2023 Budget	2023 Actual Amounts	Adopted 2024 Budget
REVENUES			
Property Taxes	\$ 1,502,507	\$ 1,496,638	\$ 1,904,825
Specific Ownership Taxes	90,150	110,675	114,290
Interest Income	75,000	508,237	500,000
Other Revenue	-	-	-
Total Revenues	<u>1,667,657</u>	<u>2,115,550</u>	<u>2,519,115</u>
EXPENDITURES			
General and Administration			
Accounting	35,650	60,442	39,500
Audit	5,200	5,500	5,200
Contingency	1,606	-	728
County Treasurer's Fees	22,538	22,680	28,572
Directors' Fees	3,200	1,700	3,200
District Management	35,000	33,450	35,000
Dues and Subscriptions	1,500	657	1,500
Election Expense	2,000	942	-
Insurance and Bonds	12,000	12,885	13,000
Legal	50,000	81,838	55,000
Miscellaneous	3,164	1,833	3,000
Payroll Taxes	245	130	300
Operations and Maintenance	-		
Engineering	5,000	10,064	5,000
Irrigation	110,000	87,969	110,000
Landscaping Maintenance	110,000	166,801	110,000
Street Lights	110,000	84,485	110,000
Utility Locates	3,000	44,026	30,000
Repairs and Maintenance	10,000	-	10,000
Total Expenditures	<u>520,103</u>	<u>615,402</u>	<u>560,000</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,147,554	1,500,148	1,959,115
OTHER FINANCING SOURCES (USES)			
Transfers to Other Funds	(1,500,000)	(847,023)	(1,700,000)
Total Other Financing Sources (Uses)	<u>(1,500,000)</u>	<u>(847,023)</u>	<u>(1,700,000)</u>
NET CHANGE IN FUND BALANCE	(352,446)	653,125	259,115
Fund Balance - Beginning of Year	<u>8,546,438</u>	<u>8,625,775</u>	<u>10,151,325</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 8,193,992</u></u>	<u><u>\$ 9,278,900</u></u>	<u><u>\$ 10,410,440</u></u>

DOVE VALLEY METROPOLITAN DISTRICT
TABLE V – BUDGET SUMMARY AND COMPARISON – DEBT SERVICE FUND
(UNAUDITED)

	Final 2023 Budget	2023 Actual Amounts	Adopted 2024 Budget
REVENUES			
Property Taxes	\$ 3,051,523	\$ 3,039,860	\$ 3,055,408
Specific Ownership Taxes	183,091	199,952	183,324
Interest Income	60,000	191,168	132,000
Total Revenues	<u>3,294,614</u>	<u>3,430,980</u>	<u>3,370,732</u>
EXPENDITURES			
General and Administrative:			
County Treasurer's Fees	45,773	45,693	45,831
Paying Agent Fees	5,000	-	5,250
Debt Service:			
Bond Interest - Series 2019	1,456,000	1,456,200	1,394,800
Bond Principal - Series 2019	1,535,000	1,535,000	1,600,000
Contingency	9,940	-	9,119
Total Expenditures	<u>3,051,713</u>	<u>3,036,893</u>	<u>3,055,000</u>
NET CHANGE IN FUND BALANCE	242,901	394,087	315,732
Fund Balance - Beginning of Year	<u>2,212,224</u>	<u>2,209,365</u>	<u>2,565,615</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,455,125</u></u>	<u><u>\$ 2,603,452</u></u>	<u><u>\$ 2,881,347</u></u>

DOVE VALLEY METROPOLITAN DISTRICT
TABLE VI – BUDGET SUMMARY AND COMPARISON – CAPITAL PROJECTS FUND
(UNAUDITED)

	Final 2023 Budget	2023 Actual Amounts	Adopted 2024 Budget
REVENUES			
Investment Income	\$ 1,000	\$ 8,529	\$ 3,000
Total Revenues	1,000	8,529	3,000
EXPENDITURES			
District Management	5,000	416	5,000
Legal	10,000	34,566	11,000
Project Management	10,000	85,302	10,000
District Identity and Website	2,000	-	2,000
Street Lights	-	14,611	-
Medians-Potomac/Chambers/Broncos Pkwy	25,000	-	25,000
Happy Canyon Trail and Bridge	-	-	-
Fremont Ave. Urban Trail	550,000	10,912	550,000
Lone Tree Creek Trail	285,000	250,000	-
Trail Design	10,000	-	10,000
Dove Creek Trail Restoration	-	-	22,000
Broncos Parkway Pedestrian Crossing	-	-	550,000
Contingency	500,000	-	500,000
Total Expenditures	1,397,000	395,807	1,685,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,396,000)	(387,278)	(1,682,000)
OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	1,500,000	165,023	1,700,000
Total Other Financing Sources (Uses)	1,500,000	165,023	1,700,000
NET CHANGE IN FUND BALANCE	104,000	(222,255)	18,000
Fund Balance - Beginning of Year	225,039	222,255	35,385
FUND BALANCE - END OF YEAR	\$ 329,039	\$ -	\$ 53,385

**DOVE VALLEY METROPOLITAN DISTRICT
HISTORY OF ASSESSED VALUATION BY AREA
(UNAUDITED)**

History of Assessed Valuation by Area

Levy/Collection Year	District Area	Exclusion Area	Exclusion Adjusted Taxing Area
2015/2016	\$ 182,302,194	\$ 1,777,806	\$ 184,080,000
2016/2017	184,801,437	3,010,539	187,811,976
2017/2018	223,466,510	3,371,999	226,838,509
2018/2019	230,654,445	3,364,503	234,018,948
2019/2020	271,500,673	4,132,270	275,632,943
2020/2021	277,683,650	4,188,559	281,872,209
2021/2022	343,566,585	4,148,704	347,715,289
2022/2023	344,690,821	4,078,019	348,768,840
2023/2024	474,308,945	4,381,968	478,690,913

History of Property Tax Collections - Exclusion Adjusted Taxing Area

Levy/Collection Year	Total Taxes Levied	Total Taxes Collected	Percent of Levy Collected
2015/2016	\$ 3,308,478	\$ 3,196,010	96.60 %
2016/2017	3,340,767	3,311,319	99.12
2017/2018	3,731,210	3,638,251	97.51
2018/2019	3,922,715	3,802,293	96.93
2019/2020	4,070,434	4,013,138	98.59
2020/2021	4,346,691	4,318,460	99.35
2021/2022	4,546,371	4,497,346	98.92
2022/2023	4,554,030	4,536,498	99.62
2023/2024	4,960,233		-

**DOVE VALLEY METROPOLITAN DISTRICT
HISTORY OF MILL LEVIES BY AREA
(UNAUDITED)**

History of Mill Levies by Area							
Levy/ Collection Year	District Area					Excluded Territories	
	(Current Boundaries)						
	Operations / Maintenance	Series 2010 Debt Service	Series 2015 Debt Service	Series 2019 Debt Service	Total	Series 2015 Debt Service	Series 2019 Debt Service
	Mill Levy	Mill Levy	Mill Levy	Mill Levy	Mill Levy	Mill Levy	Mill Levy
2015/2016	4.942	2.198	10.902	-	18.042	10.902	-
2016/2017	4.800	2.198	10.902	-	17.900	10.902	-
2017/2018	4.445	2.030	10.070	-	16.545	10.070	-
2018/2019	4.760	2.030	10.070	-	16.860	10.070	-
2019/2020	4.110	-	-	10.750	14.860	-	8.696
2020/2021	4.667	-	-	10.854	15.521	-	8.777
2021/2022	4.359	-	-	8.788	13.147	-	7.111
2022/2023	4.359	-	-	8.769	13.128	-	7.094
2023/2024	4.016	-	-	6.394	10.410	-	5.175