

APARTMENT INVESTMENT & MANAGEMENT CO

Form 11-K

June 29, 2001

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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT  
PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2000

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 1-13232

APARTMENT INVESTMENT AND MANAGEMENT COMPANY  
401(k) RETIREMENT PLAN  
(FULL TITLE OF THE PLAN)

APARTMENT INVESTMENT AND MANAGEMENT COMPANY  
2000 COLORADO BOULEVARD, TOWER TWO, SUITE 2-1000  
DENVER, COLORADO 80222

(NAME OF ISSUER OF THE SECURITIES HELD PURSUANT TO  
THE PLAN AND THE ADDRESS OF ITS PRINCIPAL EXECUTIVE OFFICE)

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Financial Statements and Schedule

Apartment Investment and Management Company  
401(k) Retirement Plan

December 31, 2000 and 1999 and for the year ended December 31, 2000

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Report of Independent Auditors

Pension Plan Committee  
Apartment Investment and Management Company  
401(k) Retirement Plan

We have audited the accompanying statements of net assets available for benefits of Apartment Investment and Management Company 401(k) Retirement Plan (Plan) as of December 31, 2000 and 1999 and for the year ended December 31, 2000. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2000 and 1999 and the changes in its net assets available for benefits for the year ended December 31, 2000, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets held for investment purposes as of December 31, 2000 is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of

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Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

April 27, 2001  
Indianapolis, Indiana

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Apartment Investment and Management Company  
401(k) Retirement Plan

Statements of Net Assets Available for Benefits

	DECEMBER 31	
	2000	1999
	-----	-----
ASSETS:		
Investments, at fair value	\$74,090,013	\$75,592,284
Contributions receivable:		
Employee contribution receivable	105,391	99,711
Employer contribution receivable	58,533	54,114
	-----	-----
	163,924	153,825
	-----	-----
Total assets	74,253,937	75,746,109
LIABILITY:		
Participant refunds payable	120,991	168,656
	-----	-----
Net assets available for benefits	\$74,132,946	\$75,577,453
	=====	=====

See accompanying notes.

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Apartment Investment and Management Company  
401(k) Retirement Plan

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2000

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Additions:	
Employee contributions	\$ 6,807,350
Employer contributions	2,864,046
Rollover contributions	742,218
	-----
	10,413,614
Interest and dividend income	6,297,544
	-----
Total additions	16,711,158
Deductions	
Benefits Payments	10,590,257
Net depreciation in fair value of investments	7,294,867
Participant refunds	120,991
Administrative expenses	149,550
	-----
Total deductions	18,155,665
	-----
Net decrease	(1,444,507)
Net assets available for benefits at the beginning of the year	75,577,453
	-----
Net assets available for benefits at the end of the year	\$ 74,132,946
	=====

See accompanying notes.

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Apartment Investment and Management Company  
401(k) Retirement Plan

Notes to Financial Statements

December 31, 2000

1. DESCRIPTION OF THE PLAN

The following description of the Apartment Investment and Management Company 401(k) Retirement Plan (the "Plan") provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

The Plan is a defined contribution plan covering all employees of the Apartment Investment and Management Company (the Company) who have at least six months of service and are age 18 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Participants may elect to contribute to the Plan from 1% to 20% of their compensation on a pretax basis, subject to certain statutory limitations. The Company, at its discretion, may make a matching contribution on behalf of each participant in the following manner: (1) for participants with six months to

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five years of service, a 50% match of the participant's contribution; (2) for participants with six to 10 years of service, a 75% match of the participant's contribution; or (3) for participants with eleven or more years of service, a 100% match of the participant's contribution.

Each participant's account is credited with the participant's contributions and allocations of the Company's contributions and Plan earnings and is charged with an allocation of administrative expenses. The benefit to which a participant is entitled is the account balance at the time of distribution.

Participants are immediately vested in their voluntary contributions. The Company's matching contributions are fully vested after three years of service. Upon withdrawal, the nonvested portion of a participant's account will be used by the Company to reduce the next employer contribution or pay expenses of the Plan. During 2000 and 1999, forfeited balances of terminated participants' nonvested accounts were \$201,947 and \$136,230, respectively.

Participants may borrow funds from their own account. Loans are permitted in amounts not to exceed the lesser of \$50,000 reduced by the highest outstanding loan balance for the preceding year or 50% of the value of the vested interest in the participant's account. Only one loan is permitted during any twelve month period.

Although the Company has not expressed any intent to do so, it has the right under the Plan to discontinue its contributions at anytime and to terminate the Plan subject to the provisions of ERISA. In the event of termination of the Plan, each participant will become fully vested and will receive a total distribution of their account.

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Apartment Investment and Management Company  
401(k) Retirement Plan

Notes to Financial Statements (Continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The accompanying financial statements of the Plan are presented on the accrual basis of accounting.

#### INVESTMENTS

Investments other than participant loans are valued at fair value as determined by reference to quoted market values. The participant loans are valued at their outstanding balances, which approximate fair value.

#### USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

#### INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service

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dated February 7, 2001, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes that the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan continues to be qualified and the related trust is tax exempt.

### 3. INVESTMENTS

The Plan's investments are held in trust by Fidelity Management Trust, the trustee of the Plan. The Plan's investments in the various funds (including investments bought, sold, and held during the year) appreciated (depreciated) in fair value for the year ended December 31, 2000 as presented in the following table.

	NET APPRECIATION (DEPRECIATION) IN FAIR VALUE DURING YEAR -----
Fair value as determined by quoted market prices:	
Investments in mutual funds	\$(7,716,162)
Investments in common stocks	421,295
	-----
	\$(7,294,867)
	=====

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Apartment Investment and Management Company  
401(k) Retirement Plan

Notes to Financial Statements (Continued)

### 3. INVESTMENTS (CONTINUED)

The fair value of individual investments that represent 5% or more of the Plan's net assets are as follows:

	DECEMBER 31	
	2000	1999
	-----	-----
Fair value determined by quoted market prices:		
Fidelity Investment Mutual Funds:		
Magellan Fund	\$12,671,887	\$13,886,387
Growth Company Fund	9,433,828	9,164,597
Growth and Income Fund	10,083,843	10,975,301
Retirement Money Market Fund	7,528,997	7,456,344
Asset Manager Fund	6,440,849	6,625,164
Equity Income II Fund	5,730,922	5,856,453

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Fidelity Management Trust Company common collective trust fund:  
 Managed Income Portfolio Fund 8,947,613 9,404,195

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SCHEDULE

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Apartment Investment and Management Company  
 401(k) Retirement Plan

Schedule H, line 4i - Schedule of Assets Held for Investment  
 Purposes at End of Year

December 31, 2000

EIN: 58-1471003  
 Plan Number: 004

IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY -----	DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE -----
Common Stock:	
*AIMCO Stock	149,160 shares
*Fidelity Management Trust Company Mutual Funds:	
Magellan Fund	106,219 shares
Growth Company Fund	132,071 shares
Growth and Income Fund	239,521 shares
Intermediate Bond Fund	289,653 shares
Asset Manager Fund	382,928 shares
Equity Income II Fund	240,190 shares
Aggressive Growth Fund	89,224 shares
Diversified International Fund	17,224 shares
Low Price Stock Fund	14,993 shares
Spartan US Equity Index Fund	13,836 shares
Retirement Money Market Fund	7,528,997 shares
Common Collective Trust: Managed Income Portfolio Fund	8,947,613 shares
Participant Loans	Interest rates range from 10% to 10.25%

\*Indicates a party-in-interest to the Plan

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CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-57617) pertaining to the 401(k) Retirement Plan of Apartment Investment and Management Company of our report dated April 27, 2001 with respect to the financial statements and schedule of the Apartment Investment and Management Company 401(k) Retirement Plan included in this Annual Report (Form 11-K) for the year ended December 31, 2000.

/s/ Ernst & Young LLP

Indianapolis, Indiana  
June 25, 2001

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SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 28, 2001

APARTMENT INVESTMENT AND  
MANAGEMENT COMPANY  
401(k) RETIREMENT PLAN

By: /s/ MARI AKERS

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Mari Akers  
Plan Administrator

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