

MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
City and County of Denver, Colorado

FINANCIAL STATEMENTS
December 31, 2017

E

RECEIVED

Office of the State Auditor

June 27, 2018

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements:	
Balance Sheet - Governmental Funds	3
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	4
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	5
General Fund - Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	6
Notes to Financial Statements.....	7
SUPPLEMENTARY INFORMATION	21
Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	22
Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	23
Schedule of Debt Service Requirements to Maturity	24
Summary of Assessed Valuation, Mill Levy and Property Taxes Collected.....	25



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Mile High Business Center Metropolitan District
City and County of Denver, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of Mile High Business Center Metropolitan District (the District), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Mile High Business Center Metropolitan District, as of December 31, 2017, and the respective changes in financial position thereof, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

I

Fiscal Focus Partners, LLC

12136 West Bayaud Ave., Suite 300, Lakewood, CO 80228
5555 DTC Parkway, Suite 375, Greenwood Village, CO 80111
303.202.1800 Office • 303.237.0155 Fax • www.ffpcpa.com

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of legal compliance and additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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

Lakewood, Colorado
May 21, 2018

BASIC FINANCIAL STATEMENTS

MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
December 31, 2017

	<u>Governmental Activities</u>
ASSETS	
Investments	\$ 302,001
Investments - Restricted	2,179,716
Property taxes receivable	809,117
Receivable from Country Treasurer	4,297
Prepaid expenses	4,859
Capital assets	
Capital assets, net depreciation	287,098
Total assets	<u>3,587,088</u>
LIABILITIES	
Accounts payable	38,054
Accrued interest payable	6,951
Noncurrent liabilities	
Due within one year	325,000
Due in more than one year	10,167,141
Total liabilities	<u>10,537,146</u>
DEFERRED INFLOWS OF RESOURCES	
Property tax revenue	809,117
Total deferred inflows of resources	<u>809,117</u>
NET POSITION	
Net investment in capital assets	234,278
Restricted for:	
Emergency reserves	7,300
Debt service	63,885
Capital projects	2,068,864
Unrestricted	(10,133,502)
Total net position	<u><u>\$ (7,759,175)</u></u>

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

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
Year Ended December 31, 2017**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Primary government:					
Government activities:					
General government	\$ 669,958	\$ -	\$ -	\$ -	\$ (669,958)
Interest and related costs on long-term debt	884,616	-	-	-	(884,616)
	<u>\$ 1,554,574</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,554,574)</u>
General revenues:					
Property taxes					839,278
Specific ownership taxes					61,758
Net investment income					10,914
Other income					10
Total general revenues					<u>911,960</u>
Change in net position					(642,614)
Net position - Beginning					(7,116,561)
Net position - Ending					<u>\$ (7,759,175)</u>

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

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2017**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Investments	\$ 302,001	\$ -	\$ -	\$ 302,001
Investments - Restricted	7,300	66,539	2,105,877	2,179,716
Property tax receivable	268,411	540,706	-	809,117
Receivable from County Treasurer	-	4,297	-	4,297
Prepaid expenses	2,116	-	-	2,116
Prepaid insurance	2,743	-	-	2,743
TOTAL ASSETS	\$ 582,571	\$ 611,542	\$ 2,105,877	\$ 3,299,990
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 1,041	\$ -	\$ 37,013	\$ 38,054
Total liabilities	1,041	-	37,013	38,054
DEFERRED INFLOWS OF RESOURCES				
Property tax revenue	268,411	540,706	-	809,117
Total deferred inflows of resources	268,411	540,706	-	809,117
FUND BALANCES				
Nonspendable for:				
Prepaid expenses	4,859	-	-	4,859
Restricted for:				
Emergency reserves	7,300	-	-	7,300
Debt service	-	70,836	-	70,836
Capital projects fund	-	-	2,068,864	2,068,864
Unassigned	300,960	-	-	300,960
Total fund balances	313,119	70,836	2,068,864	2,452,819
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 582,571	\$ 611,542	\$ 2,105,877	

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.

Capital assets, net 287,098

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

Accrued bond interest (6,951)
Developer advance payable - Principal (1,527,533)
Developer advance payable - Interest (539,608)
Bonds payable (8,425,000)

Net position of governmental activities **\$ (7,759,175)**

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

MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2017

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 238,643	\$ 600,635	\$ -	\$ 839,278
Specific ownership taxes	-	61,758	-	61,758
Net investment income	3,364	7,548	2	10,914
Other income	10	-	-	10
Total revenues	<u>242,017</u>	<u>669,941</u>	<u>2</u>	<u>911,960</u>
EXPENDITURES				
Current				
Accounting	34,169	-	4,815	38,984
Audit	4,950	-	-	4,950
County Treasurer's fees	2,386	6,006	-	8,392
City review fee	5,000	-	-	5,000
Insurance	2,488	-	-	2,488
District management	37,000	-	-	37,000
Dues and subscriptions	540	-	-	540
Engineering	2,021	-	-	2,021
Irrigation water	5,411	-	-	5,411
Landscape maintenance	18,471	-	-	18,471
Legal	11,111	-	-	11,111
Utilities	147	-	-	147
Miscellaneous	75	7	-	82
Debt service				
Bond principal - 2007	-	115,000	3,740,751	3,855,751
Bond principal - 2010	-	75,000	2,902,747	2,977,747
Bond interest - 2007	-	199,545	-	199,545
Bond interest - 2010	-	149,575	-	149,575
Paying agent fees	-	2,700	-	2,700
Capital projects				
Developer advance interest	-	-	4,026	4,026
Municipal advisory services	-	-	12,052	12,052
Capital Outlay	-	-	525,300	525,300
Cost of issuance	-	-	184,413	184,413
Total expenditures	<u>123,769</u>	<u>547,833</u>	<u>7,374,104</u>	<u>8,045,706</u>
OTHER FINANCING SOURCES (USES)				
Developer advance	-	-	525,300	525,300
Repayment of developer advance	-	-	(22,766)	(22,766)
Loan proceeds - Series 2017	-	-	8,425,000	8,425,000
Transfers in	5,309	200	520,741	526,250
Transfers (out)	(20,941)	(500,000)	(5,309)	(526,250)
Total other financing sources (uses)	<u>(15,632)</u>	<u>(499,800)</u>	<u>9,442,966</u>	<u>8,927,534</u>
NET CHANGE IN FUND BALANCES	102,616	(377,692)	2,068,864	1,793,788
FUND BALANCES - BEGINNING OF YEAR	210,503	448,528	-	659,031
FUND BALANCES - END OF YEAR	<u>\$ 313,119</u>	<u>\$ 70,836</u>	<u>\$ 2,068,864</u>	<u>\$ 2,452,819</u>

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

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2017**

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

Net change in fund balances - Total governmental funds	\$ 1,793,788
--	--------------

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.

Depreciation	(15,764)
--------------	----------

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 governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Loan proceeds	(8,425,000)
Principal payment	6,833,498
Developer advances	(525,300)
Repayment of developer advances	22,456
Repayment of developer advance interest	4,026

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.

Bond interest - Change in liability	22,143
Current year amortization of bond premium	(261,703)
Developer advances - Interest, Change in liability	(90,758)

Changes in net position of governmental activities	<u>\$ (642,614)</u>
--	---------------------

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

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017**

	Original & Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 238,641	\$ 238,643	\$ 2
Net investment income	1,500	3,364	1,864
Other income	-	10	10
Total revenues	<u>240,141</u>	<u>242,017</u>	<u>1,876</u>
EXPENDITURES			
Accounting	27,000	34,169	(7,169)
Audit	5,000	4,950	50
County Treasurer's fees	2,386	2,386	-
City review fee	5,000	5,000	-
Insurance	2,700	2,488	212
District management	37,000	37,000	-
Dues and subscriptions	500	540	(40)
Engineering	-	2,021	(2,021)
Irrigation water	-	5,411	(5,411)
Landscape maintenance	30,000	18,471	11,529
Landscape maintenance - Drainage Pond	10,000	-	10,000
Landscape maintenance - Pond	10,000	-	10,000
Legal	30,000	11,111	18,889
Storm drainage	1,000	-	1,000
Utilities	-	147	(147)
Annual pond maintenance	10,000	-	10,000
Miscellaneous	500	75	425
Contingency	5,914	-	5,914
Total expenditures	<u>177,000</u>	<u>123,769</u>	<u>53,231</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>63,141</u>	<u>118,248</u>	<u>55,107</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	5,309	5,309
Transfers (to other funds)	-	(20,941)	(20,941)
Total other financing sources (uses)	<u>-</u>	<u>(15,632)</u>	<u>(15,632)</u>
NET CHANGE IN FUND BALANCE	63,141	102,616	39,475
FUND BALANCES - BEGINNING OF YEAR	185,100	210,503	25,403
FUND BALANCES - END OF YEAR	<u>\$ 248,241</u>	<u>\$ 313,119</u>	<u>\$ 64,878</u>

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

MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 - DEFINITION OF REPORTING ENTITY

Mile High Business Center Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City and County of Denver in November 2005, 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 entirely within the City and County of Denver, Colorado. The District was established to provide financing for the design, acquisition, installation and construction of water, sanitation, streets, safety protection and park and recreation facilities. Upon the completion of the infrastructure improvements, the District anticipates dedicating most of the improvements to the City or to such other governmental entity as appropriate. The District also provides the funding for infrastructure improvements and the tax base needed to support ongoing operations.

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-wide and Fund Financial Statements

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

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

MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

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

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

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

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 each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2017.

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.

Property Taxes

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

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

Capital Assets

Capital assets, which include property and equipment, 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. Assets included in construction in progress that the District will convey to other entities are not included in the calculation of net investment in capital assets.

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

Streets	20 years
---------	----------

Deferred Inflow of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

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

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

- Net investment in capital assets – this component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction or improvement of those assets. If there are significant unspent debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in this component.
- Restricted – this component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.
- Unrestricted – the component of net position that does not meet the definitions above.

MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 balance is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2017, are classified in the accompanying financial statements as follows:

Statement of net position:

Cash and investments	\$ 302,001
Cash and investments - Restricted	<u>2,179,716</u>
Total cash and investments	<u>\$ 2,481,717</u>

MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

Cash and investments as of December 31, 2017, consist of the following:

Deposits with Financial Institutions	\$ 2,105,833
Investments	<u>375,884</u>
Total cash and investments	<u>\$ 2,481,717</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.

At December 31, 2017, the District's cash deposits had a bank balance of \$2,131,308 and a carrying balance of \$2,105,833.

Investments

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

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

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

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

- . Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- . Certain international agency securities
- . 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

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

- . 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, 2017, the District had the following investments:

Investment	Maturity	Amount
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted average under 60 days	\$ 370,007
Federated Treasury Money Market Fund	Weighted average under 60 days	<u>5,877</u>
		<u>\$ 375,884</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAM by Standard & Poor's. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Federated Treasury Money Market Fund

The debt service money that is included in the trust accounts at UMB Bank is invested in the Federated Treasury Obligations Fund. This portfolio is a money market mutual fund which invests primarily in short-term U.S. Treasury securities and includes repurchase agreements collateralized by U.S. Treasury securities. The Federated Treasury Obligations Fund is rated AAAM by Standard & Poor's. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE 4 - CAPITAL ASSETS

Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2017, is as follows:

	<u>Balance at December 31, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at December 31, 2017</u>
Governmental activities				
Capital assets, being depreciated:				
Streets - East Shared Drive	315,276	-	-	315,276
Total capital assets, being depreciated	315,276	-	-	315,276
Less accumulated depreciation for:				
Streets - East Shared Drive	(12,414)	(15,764)	-	(28,178)
Total accumulated depreciation	(12,414)	(15,764)	-	(28,178)
Total capital assets, being depreciated, net	302,862	(15,764)	-	287,098
Total capital assets	<u>\$ 302,862</u>	<u>\$ (15,764)</u>	<u>\$ -</u>	<u>\$ 287,098</u>

Depreciation expense was charged to the governmental operations of the District for the year ended December 31, 2017.

NOTE 5 - LONG-TERM OBLIGATIONS

The District's outstanding long-term obligations at December 31, 2017, were as follows:

	<u>Balance at December 31, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at December 31, 2017</u>	<u>Due Within One Year</u>
General Obligation Bonds:					
Series 2007	\$ 3,845,000	\$ -	\$3,845,000	\$ -	\$ -
Series 2010	2,705,000	-	2,705,000	-	-
General Obligation Refunding and Improvement Loan Series 2017	-	8,425,000	-	8,425,000	325,000
	6,550,000	8,425,000	6,550,000	8,425,000	325,000
Premium on 2007 Bonds	21,795	-	21,795	-	-
Total bonds payable	<u>6,571,795</u>	<u>8,425,000</u>	<u>6,571,795</u>	<u>8,425,000</u>	<u>325,000</u>
Developer advance payable	1,024,689	525,300	22,456	1,527,533	-
Accrued interest on Developer advances	452,876	90,758	4,026	539,608	-
Total Developer advances	<u>1,477,565</u>	<u>616,058</u>	<u>26,482</u>	<u>2,067,141</u>	<u>-</u>
	<u>\$ 8,049,360</u>	<u>\$ 9,041,058</u>	<u>\$ 6,598,277</u>	<u>\$ 10,492,141</u>	<u>\$ 325,000</u>

MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

The details of the District's long-term obligations are as follows:

\$5,000,000 General Obligation Bonds, Series 2007, were issued on August 1, 2007, in the original amount of \$5,000,000. The bonds are term bonds due on December 1, 2037, with mandatory redemption principal payments starting at \$80,000 on December 1, 2009, and increasing annually thereafter. The bonds have interest rates that vary from 4.50% to 5.25%. Interest is payable semiannually on June 1 and December 1.

The bonds are subject to redemption prior to maturity at the option of the District, in whole on any date, or in part on any date, beginning on December 1, 2017, at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest to the redemption date, if any, without premium.

These bonds were paid in full, as described below.

\$2,985,000 General Obligation Bonds, Series 2010, were issued on September 1, 2010, in the original amount of \$2,985,000. The bonds are term bonds with final maturity on December 1, 2035. The interest rate on the bonds has been set at a rate of 2.75% to 6.00% based on maturity date with payments due June 1 and December 1.

The bonds are subject to redemption prior to maturity, at the option of the District, in whole on any date, or in part on any date, as determined by the District, at any time on and after December 1, 2020, at a redemption price equal to the outstanding principal amount of each bond or portion thereof redeemed, plus accrued interest thereon to the date of redemption.

These bonds were advance refunded, as described below.

\$8,425,000 General Obligation Refunding and Improvement Loan, Series 2017, was issued on December 21, 2017, in the original amount of \$8,425,000. The loan matures on December 1, 2037, with principal payments starting at \$325,000 on December 1, 2018. The loan bears interest at 2.97%, payable semiannually on June 1 and December 1. The loan may be prepaid prior to maturity, at the option of the District, in part, in any amount not exceeding \$250,000 annually on any principal payment date with no penalty. The loan may be prepaid prior to the maturity date, in whole but not in part, on or after December 1, 2024 at a prepayment price equal to the sum of the loan balance plus accrued interest thereon with no prepayment fee. The District will give the lender at least 10 days' notice prior to any prepayment.

In connection with the loan, the District repaid and cancelled the Series 2007 bonds and advance refunded the Series 2010 bonds as described below.

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

On December 21, 2017, the District advance refunded and defeased (debt legally satisfied) \$2,705,000 of General Obligation Limited Tax Refunding and Improvement bonds dated September 1, 2010 with an average interest rate range of 2.75% to 6.00% and repaid \$3,845,000 in Series 2007 General Obligation debt with an interest rate ranging from 4.50% to 5.25% with the issuance of the General Obligation Refunding and Improvement Loan, Series 2017, dated December 21, 2017 with an interest rate of 2.97%. The District repaid the Series 2007 bonds and advance refunded the Series 2010 bonds to reduce its total debt service payments over the next 20 years by almost \$565,143 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,034,857.

The defeased bonds are not considered a liability of the District since sufficient funds in the amount of \$3,740,751 were deposited with a trustee and invested in U.S. government securities for the purpose of paying the principal and interest of the defeased 2010 bonds until the call date, at which point the bonds will be repaid in its entirety from the remaining funds in the escrow account. The bonds will be redeemed on December 1, 2020.

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

	Governmental Activities		
	Principal	Interest	Total
2018	\$ 325,000	\$ 250,113	\$ 575,113
2019	325,000	240,433	565,433
2020	335,000	230,730	565,730
2021	345,000	220,728	565,728
2022	355,000	210,428	565,428
2023-2027	1,930,000	887,209	2,817,209
2028-2032	2,235,000	581,630	2,816,630
2033-2037	2,575,000	235,115	2,810,115
	<u>\$ 8,425,000</u>	<u>\$ 2,856,386</u>	<u>\$ 11,281,386</u>

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 1, 2005, a majority of the qualified electors of the District who voted in the election authorized the issuance of indebtedness in an amount not to exceed \$109,000,000 at an interest rate not to exceed 18% per annum.

	<u>Authorized November 1, 2005 Election</u>	<u>Series 2007 Authorization Used</u>	<u>Series 2010 Authorization Used</u>	<u>Series 2017 Authorization Used</u>	<u>Remaining at December 31, 2017</u>
Street improvement, traffic and safety controls	\$ 13,000,000	\$ 1,095,447	\$ 1,334,234	\$ 944,297	\$ 9,626,022
Water supply system	13,000,000	1,304,512	605,788	286,811	10,802,889
Storm and sanitary system	13,000,000	2,600,041	1,044,978	632,598	8,722,383
Parks and recreation facilities	13,000,000	-	-	149,920	12,850,080
Traffic and safety	13,000,000	-	-	86,374	12,913,626
Debt refunding	13,000,000	-	-	6,325,000	6,675,000
Intergovernmental contracts	13,000,000	-	-	-	13,000,000
Reimbursement	13,000,000	-	-	-	13,000,000
Operations and maintenance	5,000,000	-	-	-	5,000,000
	<u>\$ 109,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 2,985,000</u>	<u>\$ 8,425,000</u>	<u>\$ 92,590,000</u>

Per the Service Plan, the general obligation debt of the District shall not exceed \$13,000,000. In addition, the maximum debt service mill levy for the District is 50 mills, as adjusted for changes in the ratio of actual value to assessed value of property within the District.

No changes to the ratio have occurred and the maximum mill levy for the debt service remains 50 mills. A maximum of 15 mills may be levied for operation and maintenance costs for the first five years and 10 mills thereafter.

NOTE 6 - NET POSITION

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2017, the District had net investment in capital assets calculated as follows:

Net Investment in Capital Assets	
Capital assets, net	\$ 287,098
Current portion of outstanding long-term obligations	<u>(52,820)</u>
Net Investment in Capital Assets	<u>\$ 234,278</u>

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE 6 - NET POSITION (CONTINUED)

Restricted 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 restricted net position as of December 31, 2017, as follows:

	Governmental Activites
Restricted net position:	
Emergency reserves	\$ 7,300
Debt service	63,885
Total restricted net position	<u>\$ 71,185</u>

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements, which were transferred to other governments for ownership and maintenance.

NOTE 7 - RELATED PARTY

The members of the Board of Directors are employees, owners or are otherwise associated with Panattoni Development Co., Inc. (Developer) and may have conflicts of interest in dealing with the District.

The District has an agreement with the Developer to provide management services. During 2017, the District paid the Developer \$25,000 for management services.

NOTE 8 - AGREEMENTS

Advance and Reimbursement Agreement

On January 20, 2006, the District entered into an Advance and Reimbursement Agreement for construction, maintenance and operation costs with the Developer. The Agreement was amended March 5, 2007, and May 18, 2010 (effective November 13, 2009), to clarify certain provisions. Under the terms of this agreement, the Developer agreed to provide advances to the District for the purpose of funding construction, operations and maintenance costs of the District. The District will reimburse the Developer for the advances and interest at the rate of seven and a half percent (7.5%) per annum on such sums advanced subject to annual appropriation, when and if monies become available to do so.

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE 8 - AGREEMENTS (CONTINUED)

Mutual Settlement and Release Agreement

In 2015, the District entered into a settlement and easement agreement in which the District agreed to accept \$315,276 of Developer constructed infrastructure improvements. In June 2015, \$240,000 was repaid, and the remaining \$75,276 will accrue interest. Per the terms of the agreement, \$22,456 will accrue interest at 7.0% from the agreement execution date until paid in full. The remaining \$52,820 will accrue interest at 7.0% commencing August 10, 2015. The \$22,456 balance plus accrued interest were included in accounts payable at December 31, 2017 and paid in full in February 2018.

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 the past fiscal year.

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 that apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE 10 - TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)

On November 1, 2005, District voters passed an election question to increase property taxes \$5,000,000 annually to pay the District's operational and maintenance costs, without regard to any limitations 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.

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

SUPPLEMENTARY INFORMATION

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 600,631	\$ 600,631	\$ 600,635	\$ 4
Specific ownership taxes	58,750	58,750	61,758	3,008
Net investment income	2,600	2,600	7,548	4,948
Total revenues	<u>661,981</u>	<u>661,981</u>	<u>669,941</u>	<u>7,960</u>
EXPENDITURES				
County Treasurer's fees	6,006	6,006	6,006	-
Bond principal - Series 2007	115,000	115,000	115,000	-
Bond principal - Series 2010	75,000	75,000	75,000	-
Bond interest - Series 2007	199,452	199,452	199,545	(93)
Bond interest - Series 2010	149,578	149,578	149,575	3
Paying agent fees	3,000	3,000	2,700	300
Miscellaneous	-	-	7	(7)
Contingency	6,874	6,964	-	6,964
Total expenditures	<u>554,910</u>	<u>555,000</u>	<u>547,833</u>	<u>7,167</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	200	200
Transfers (to other funds)	-	(500,000)	(500,000)	-
Total other financing sources (uses)	<u>-</u>	<u>(500,000)</u>	<u>(499,800)</u>	<u>200</u>
NET CHANGE IN FUND BALANCES	107,071	(393,019)	(377,692)	15,327
FUND BALANCES - BEGINNING OF YEAR				
	<u>445,533</u>	<u>445,533</u>	<u>448,528</u>	<u>2,995</u>
FUND BALANCES - END OF YEAR	<u>\$ 552,604</u>	<u>\$ 52,514</u>	<u>\$ 70,836</u>	<u>\$ 18,322</u>

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Net investment income	\$ -	\$ -	\$ 2	\$ 2
Total revenues	<u>-</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>
EXPENDITURES				
Accounting	-	-	4,815	(4,815)
Developer advance interest	-	-	4,026	(4,026)
Municipal advisory services	-	-	12,052	(12,052)
Bond principal - Series 2010	-	-	2,902,747	(2,902,747)
Repay developer advance	2,750,000	2,750,000	22,766	2,727,234
Cost of issuance - Series 2017	140,000	140,000	176,194	(36,194)
Cost of issuance - Refunding Series 2017	160,000	160,000	8,219	151,781
Refunding Series 2007	3,845,000	3,845,000	3,740,751	104,249
Capital outlay	1,700,000	1,700,000	525,300	1,174,700
Contingency	105,000	881,300	-	881,300
Total expenditures	<u>8,700,000</u>	<u>9,476,300</u>	<u>7,396,870</u>	<u>2,079,430</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(8,700,000)</u>	<u>(9,476,300)</u>	<u>(7,396,868)</u>	<u>2,079,432</u>
OTHER FINANCING SOURCES (USES)				
Bond proceeds - Refunding 2007	4,000,000	4,000,000	-	(4,000,000)
Loan proceeds - Series 2017	3,500,000	3,500,000	8,425,000	4,925,000
Developer advances	1,200,000	1,976,300	525,300	(1,451,000)
Transfers from other funds	-	-	520,741	520,741
Transfers (to other funds)	-	-	(5,309)	(5,309)
Total other financing sources (uses)	<u>8,700,000</u>	<u>9,476,300</u>	<u>9,465,732</u>	<u>(10,568)</u>
NET CHANGE IN FUND BALANCES	-	-	2,068,864	2,068,864
FUND BALANCES - BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$2,068,864</u>	<u>\$ 2,068,864</u>

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2017**

Loan and Interest Maturing in the Year Ending December 31,	\$8,425,000 General Obligation Loan Dated December 21, 2017 Interest rate 2.97% Total Requirements		
	Interest due Semi-annually, Principal due December 1		
	Principal	Interest	Total
2018	\$ 325,000	\$ 250,113	\$ 575,113
2019	325,000	240,433	565,433
2020	335,000	230,730	565,730
2021	345,000	220,728	565,728
2022	355,000	210,428	565,428
2023	365,000	199,831	564,831
2024	375,000	188,935	563,935
2025	385,000	177,742	562,742
2026	395,000	166,251	561,251
2027	410,000	154,450	564,450
2028	420,000	142,214	562,214
2029	435,000	129,669	564,669
2030	445,000	116,688	561,688
2031	460,000	103,398	563,398
2032	475,000	89,661	564,661
2033	485,000	75,490	560,490
2034	500,000	61,008	561,008
2035	515,000	46,079	561,079
2036	530,000	30,704	560,704
2037	545,000	21,834	566,834
	<u>\$ 8,425,000</u>	<u>\$ 2,856,386</u>	<u>\$ 11,281,386</u>

**MILE HIGH BUSINESS CENTER METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY AND
PROPERTY TAXES COLLECTED
December 31, 2017**

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Property Tax Levy</u>	<u>Mills Levied for</u>		<u>Property Taxes</u>		<u>Percent Collected to Levied</u>
		<u>General</u>	<u>Debt Service</u>	<u>Levied</u>	<u>Collected</u>	
2012	\$ 18,265,500	6.000	29.000	\$ 639,293	\$ 617,156	96.5%
2013	\$ 21,224,980	9.952	25.048	\$ 742,874	\$ 713,866	96.1%
2014	\$ 20,056,510	9.952	25.048	\$ 701,977	\$ 711,785	101.4%
2015	\$ 20,253,580	9.952	25.048	\$ 708,875	\$ 708,879	100.0%
2016	\$ 25,047,710	9.952	25.048	\$ 876,670	\$ 830,174	94.7%
2017	\$ 23,979,200	9.952	25.048	\$ 839,272	\$ 839,278	100.0%
Estimated for year ending December 31, 2018	\$ 26,970,550	9.952	20.048	\$ 809,117		