

**MERIDIAN METROPOLITAN DISTRICT
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2019

**MERIDIAN METROPOLITAN DISTRICT
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Meridian Metropolitan District
Douglas County, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Meridian Metropolitan District (the District) as of and for the year ended December 31, 2019, 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, the business-type activities, and each major fund of Meridian Metropolitan District, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows 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.

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Fiscal Focus Partners, LLC

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 the 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.

The continuing disclosure obligation information as listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Fiscal Focus Partners, LLC

Greenwood Village, Colorado
July 19, 2020

BASIC FINANCIAL STATEMENTS

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash and Investments	\$ 20,218,976	\$ 8,235,880	\$ 28,454,856
Cash and Investments - Restricted	1,928,557	-	1,928,557
Receivable - County Treasurer	91,339	-	91,339
Accounts Receivable	3,165	435,513	438,678
Prepaid Expense	4,240	1,740	5,980
Due from Other Governments	189,212	-	189,212
Property Taxes Receivable	10,134,134	-	10,134,134
Capital Assets, Not Being Depreciated	8,152,098	-	8,152,098
Capital Assets, Net	5,124,004	23,169,203	28,293,207
Total Assets	<u>45,845,725</u>	<u>31,842,336</u>	<u>77,688,061</u>
DEFERRED OUTFLOWS OF RESOURCES			
Cost of Refunding, Net	639,413	-	639,413
Total Deferred Outflows of Resources	<u>639,413</u>	<u>-</u>	<u>639,413</u>
LIABILITIES			
Accounts Payable	902,259	594,877	1,497,136
Due to Other Governments	9,000	-	9,000
Retainage Payable	204,382	-	204,382
Deposits	-	110,250	110,250
Accrued Interest Payable	296,252	-	296,252
Noncurrent Liabilities:			
Due Within One Year	1,715,000	-	1,715,000
Due in More Than One Year	75,250,777	-	75,250,777
Total Liabilities	<u>78,377,670</u>	<u>705,127</u>	<u>79,082,797</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	10,134,134	-	10,134,134
Total Deferred Inflows of Resources	<u>10,134,134</u>	<u>-</u>	<u>10,134,134</u>
NET POSITION			
Net Investment in Capital Assets	-	23,169,203	23,169,203
Restricted for:			
Emergency Reserve	149,000	-	149,000
Debt Service	1,530,281	-	1,530,281
Unrestricted	<u>(43,705,947)</u>	<u>7,968,006</u>	<u>(35,737,941)</u>
Total Net Position	<u>\$ (42,026,666)</u>	<u>\$ 31,137,209</u>	<u>\$ (10,889,457)</u>

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 920,568	\$ 31,485	\$ 179,617	\$ -	\$ (709,466)	\$ -	\$ (709,466)
Parks and Open Space Maintenance	2,737,726	-	-	-	(2,737,726)	-	(2,737,726)
Transfer of Capital Assets to the Enterprise Fund	333,844	-	-	-	(333,844)	-	(333,844)
Interest on Long-Term Debt and Related Costs	3,808,429	-	-	-	(3,808,429)	-	(3,808,429)
Total Governmental Activities	<u>\$ 7,800,567</u>	<u>\$ 31,485</u>	<u>\$ 179,617</u>	<u>\$ -</u>	(7,589,465)	-	(7,589,465)
Business-Type Activities:							
Water/Sewer Facilities	\$ 7,270,505	\$ 6,036,255	\$ -	\$ 333,844	-	(900,406)	(900,406)
Total Business-Type Activities	<u>\$ 7,270,505</u>	<u>\$ 6,036,255</u>	<u>\$ -</u>	<u>\$ 333,844</u>	-	(900,406)	(900,406)
GENERAL REVENUES							
Property Taxes					9,609,050	-	9,609,050
Specific Ownership Taxes					997,387	-	997,387
Net Investment Income					528,542	227,075	755,617
Other Revenues					257,148	2,236	259,384
Transfers					(150,000)	150,000	-
Total General Revenues and Transfers					<u>11,242,127</u>	<u>379,311</u>	<u>11,621,438</u>
CHANGES IN NET POSITION							
					3,652,662	(521,095)	3,131,567
Net Position - Beginning of Year					(45,679,328)	31,658,304	(14,021,024)
NET POSITION - END OF YEAR							
					<u>\$ (42,026,666)</u>	<u>\$ 31,137,209</u>	<u>\$ (10,889,457)</u>

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 358,402	\$ -	\$ 19,860,574	\$ 20,218,976
Cash and Investments - Restricted	149,000	1,779,557	-	1,928,557
Receivable - County Treasurer	44,621	46,718	-	91,339
Accounts Receivable	3,165	-	-	3,165
Due from South Meridian	181,204	300	-	181,504
Due from North Meridian	6,608	1,100	-	7,708
Prepaid Expense	4,240	-	-	4,240
Property Taxes Receivable	4,638,693	5,495,441	-	10,134,134
	\$ 5,385,933	\$ 7,323,116	\$ 19,860,574	\$ 32,569,623
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 197,692	\$ 1,142	\$ 703,425	\$ 902,259
Retainage Payable	-	-	204,382	204,382
Due to North Meridian	4,500	-	4,500	9,000
Total Liabilities	202,192	1,142	912,307	1,115,641
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	4,638,693	5,495,441	-	10,134,134
Total Deferred Inflows of Resources	4,638,693	5,495,441	-	10,134,134
FUND BALANCES				
Nonspendable:				
Prepaid Expense	4,240	-	-	4,240
Restricted for:				
Emergency Reserves	149,000	-	-	149,000
Debt Service	-	1,826,533	-	1,826,533
Committed:				
Capital Projects	-	-	3,036,718	3,036,718
Assigned to:				
Capital Projects	-	-	15,911,549	15,911,549
Unassigned	391,808	-	-	391,808
Total Fund Balances	545,048	1,826,533	18,948,267	21,319,848
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 5,385,933	\$ 7,323,116	\$ 19,860,574	
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.				13,276,102
Deferred outflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds.				
Cost of Refunding, Net				639,413
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Accrued Bond Interest Payable				(296,252)
Bonds Payable, Net of Discount and Premium				(76,965,777)
Net Position of Governmental Activities				\$ (42,026,666)

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019**

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 4,434,306	\$ 5,174,744	\$ -	\$ 9,609,050
Specific Ownership Taxes	487,019	510,368	-	997,387
Intergovernmental	179,617	-	-	179,617
Building Lease	31,485	-	-	31,485
Miscellaneous Income	1,260	-	-	1,260
In-Lieu Tax Fees	142	425	-	567
Net Investment Income	4,862	21,094	502,586	528,542
Reimbursed Expenditures	10,809	-	-	10,809
Other Income	-	-	244,512	244,512
Total Revenues	<u>5,149,500</u>	<u>5,706,631</u>	<u>747,098</u>	<u>11,603,229</u>
EXPENDITURES				
Accounting	55,489	-	-	55,489
Audit	8,450	-	-	8,450
Board Support	10,375	-	-	10,375
Community Events	28,739	-	-	28,739
Contract Services	247,117	-	-	247,117
Dues and Subscriptions	17,367	-	-	17,367
Electric and Gas	49,517	-	-	49,517
Engineering	5,366	-	-	5,366
Global Information Services	25,750	-	-	25,750
Insurance	44,998	-	-	44,998
Irrigation (SMMD)	14,814	-	-	14,814
Legal	23,742	-	-	23,742
Materials	111,041	-	-	111,041
Office Overhead	33,149	-	-	33,149
Maintenance	2,309,871	-	-	2,309,871
Payroll Tax	398	-	-	398
Support Management	-	-	77,661	77,661
County Treasurer's Fees	70,257	73,924	-	144,181
Debt Service	-	5,269,464	-	5,269,464
Capital Expenditures	-	-	5,448,587	5,448,587
Total Expenditures	<u>3,056,440</u>	<u>5,343,388</u>	<u>5,526,248</u>	<u>13,926,076</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,093,060	363,243	(4,779,150)	(2,322,847)
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(2,350,000)	-	2,200,000	(150,000)
Total Other Financing Sources (Uses)	<u>(2,350,000)</u>	<u>-</u>	<u>2,200,000</u>	<u>(150,000)</u>
NET CHANGE IN FUND BALANCES	(256,940)	363,243	(2,579,150)	(2,472,847)
Fund Balances - Beginning of Year	<u>801,988</u>	<u>1,463,290</u>	<u>21,527,417</u>	<u>23,792,695</u>
FUND BALANCES - END OF YEAR	<u>\$ 545,048</u>	<u>\$ 1,826,533</u>	<u>\$ 18,948,267</u>	<u>\$ 21,319,848</u>

See accompanying Notes to Basic Financial Statements.

**MERIDIAN 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, 2019**

Net Change in Fund Balances - Total Governmental Funds \$ (2,472,847)

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

Capital Outlay	5,118,287
Depreciation Expense	(193,893)
Transfer to the Enterprise Fund	(333,844)

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.

Bond Principal - Current Year	1,640,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Bond Interest Payable - Change in Liability	6,150
Amortization of Bond Discount	(43,816)
Amortization of Bond Premium	28,365
Amortization of Cost of Bond Refunding	(95,740)
	(105,041)

Changes in Net Position of Governmental Activities	\$ 3,652,662
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**MERIDIAN METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Property Taxes	\$ 4,603,420	\$ 4,603,420	\$ 4,434,306	\$ (169,114)
Specific Ownership Taxes	513,830	513,830	487,019	(26,811)
Intergovernmental (SMMD)	173,430	173,430	178,607	5,177
Intergovernmental (NMMD)	1,047	1,047	1,010	(37)
In-Lieu Tax Fees	117	117	142	25
Building Lease	25,500	25,500	31,485	5,985
Miscellaneous income	-	-	1,260	1,260
Net Investment Income	20,000	20,000	4,862	(15,138)
Reimbursed Expenditures	17,500	17,500	10,809	(6,691)
Total Revenues	<u>5,354,844</u>	<u>5,354,844</u>	<u>5,149,500</u>	<u>(205,344)</u>
EXPENDITURES				
Accounting	44,600	44,600	55,489	(10,889)
Audit	8,500	8,500	8,450	50
Board Support	15,000	15,000	10,375	4,625
Consulting	10,000	-	-	-
Contingency	53,240	-	-	-
County Treasurer's Fees	77,075	77,075	70,257	6,818
Community Events	40,000	40,000	28,739	11,261
Dues and Subscriptions	35,000	35,000	17,367	17,633
Global Information Services	37,000	37,000	25,750	11,250
Insurance	42,220	42,220	44,998	(2,778)
Legal	25,000	25,000	23,742	1,258
Payroll Tax	450	450	398	52
Irrigation (SMMD)	45,000	45,000	14,814	30,186
Engineering	45,000	45,000	5,366	39,634
Electric and Gas	80,000	80,000	49,517	30,483
Office Overhead	58,500	58,500	33,149	25,351
Maintenance	2,461,900	2,311,900	2,309,871	2,029
Contract Services	291,500	291,500	247,117	44,383
Materials	135,000	135,000	111,041	23,959
Total Expenditures	<u>3,504,985</u>	<u>3,291,745</u>	<u>3,056,440</u>	<u>235,305</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,849,859	2,063,099	2,093,060	29,961
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(1,900,000)	(2,350,000)	(2,350,000)	-
Total Other Financing Uses	<u>(1,900,000)</u>	<u>(2,350,000)</u>	<u>(2,350,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(50,141)	(286,901)	(256,940)	29,961
Fund Balance - Beginning of Year	<u>566,629</u>	<u>801,988</u>	<u>801,988</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 516,488</u>	<u>\$ 515,087</u>	<u>\$ 545,048</u>	<u>\$ 29,961</u>

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2019**

	Enterprise
ASSETS	
CURRENT ASSETS	
Cash and Investments	\$ 8,051,195
Cash and Investments - DCC	184,685
Accounts Receivable	435,513
Prepaid Expense	1,740
Total Current Assets	8,673,133
CAPITAL ASSETS	
Water System	11,136,565
Wells	7,596,809
Wastewater Treatment Plant	9,742,900
Sewer System	9,481,050
Storm Water System	3,082,378
Less: Accumulated Depreciation	(17,870,499)
Total Capital Assets	23,169,203
Total Assets	\$ 31,842,336
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts Payable	594,877
DCC Security Deposits	110,250
Total Current Liabilities	705,127
NET POSITION	
Net Investment in Capital Assets	23,169,203
Unrestricted	7,968,006
Total Net Position	31,137,209
Total Liabilities and Net Position	\$ 31,842,336

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2019**

	Enterprise
OPERATING REVENUES	
Service Charges	\$ 5,378,824
Lease Payments	646,981
Total Operating Revenues	6,025,805
OPERATING EXPENSES	
Cost of Services:	
Contract Services	1,432,919
Electric and Gas	715,395
Materials and Supplies	436,323
Operational Support	989,945
Water Purchase/Lease	326,249
Administration and General Expenses:	
Accounting	55,489
Audit	8,450
Dues and Subscriptions	12,749
Engineering and Consulting	652,120
Insurance	44,998
Legal	71,226
Office Overhead	25,596
Support Management	127,618
Capital Expenses	1,175,930
Depreciation	1,019,884
Total Operating Expenses	7,094,891
OPERATING INCOME	(1,069,086)
NONOPERATING REVENUES AND EXPENSES	
DCC Fees	10,450
Net Investment Income	227,075
Other Income	2,236
DCC Expenditures	(175,614)
Total Nonoperating Revenues and Expenses	64,147
OTHER FINANCING SOURCES (USES)	
Contributed Facilities	333,844
Transfers In (Out)	150,000
Total Other Financing Sources (Uses)	483,844
CHANGE IN NET POSITION	(521,095)
Total Net Position - Beginning of Year	31,658,304
TOTAL NET POSITION - END OF YEAR	\$ 31,137,209

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2019**

	Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 5,376,728
Payments to Suppliers	(6,292,954)
Other Receipts	646,981
Net Cash Used by Operating Activities	(269,245)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other Revenue	(2,314)
Other Expenses	(175,614)
Transfers In (Out)	150,000
Net Cash Used by Nonfinancing Financing Activities	(27,928)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	(154,928)
Net Cash Used by Capital and Related Financing Activities	(154,928)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	227,075
Net Cash Provided by Investing Activities	227,075
DECREASE IN CASH AND CASH EQUIVALENTS	(225,026)
Cash and Cash Equivalents - Beginning of Year	8,460,906
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 8,235,880
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$ (1,069,086)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	1,019,884
(Increase) Decrease in:	
Accounts Receivable	(2,096)
Prepaid Expense	(26)
Increase (Decrease) in:	
Accounts Payable	(217,921)
Net Cash Used by Operating Activities	\$ (269,245)

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 DEFINITION OF REPORTING ENTITY

Meridian Metropolitan District (the District) is a quasi-municipal corporation and political subdivision of the state of Colorado organized by order and decree of the District Court for Douglas County on September 30, 1980, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Douglas County, Colorado. The District was organized to provide water and wastewater service, street construction, construction and maintenance of parks and recreation facilities, and public transportation. It derives its revenue principally from water and sewer sales and general property taxes.

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 contracts for all of its management and professional services.

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. Both statements distinguish between governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support.

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.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

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 governmental funds and proprietary funds. Major individual governmental and enterprise 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, as are the proprietary fund financial statements. 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. 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.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The District reports the following major proprietary fund:

The Enterprise Fund accounts for operations that are financed and operated in a manner where the intent of the District is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transfers and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned,

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2019.

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 and investments.

Cash Equivalents

For purposes of the statement of cash flows, the District considers cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

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 unearned property tax revenues are recorded as revenue in the year they are available or collected.

Accounts Receivable, Allowance for Doubtful Accounts

User fees constitute a perpetual lien on or against the property served until paid. Such liens may be foreclosed upon as provided by the state of Colorado. Therefore, no provision for uncollectible receivables has been made in the financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. 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 are recorded as construction in progress, and are not included in the calculation of the net investment in capital assets.

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:

Building/Equipment	25-50 Years
Infrastructure	30-50 Years
Parks and Recreation, Street Lights, Signage	15-50 Years
Water/Sewer System	40 Years
Conduit System	20 Years

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Amortization

Cost of Bond Refunding

In the government-wide financial statements, the deferred cost of bond refunding is being amortized using the interest method over the life of the defeased bonds. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *cost of refunding*, is deferred and recognized as an outflow of resources in the period that the amount is incurred.

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.

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.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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, 2019 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 28,454,856
Cash and Investments - Restricted	<u>1,928,557</u>
Total Cash and Investments	<u><u>\$ 30,383,413</u></u>

Cash and investments as of December 31, 2019 consist of the following:

Deposits with Financial Institutions	\$ 1,909,245
Investments	<u>28,474,168</u>
Total Cash and Investments	<u><u>\$ 30,383,413</u></u>

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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, 2019, the District's cash deposits had a bank statement balance of \$2,251,190 and a carrying balance of \$1,909,245. Outstanding checks at December 31, 2019 totaled \$341,945.

Investments

The District has adopted a formal investment policy which 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.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

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, 2019, 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	<u>\$ 28,474,168</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 operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. 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. 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 using the net asset value method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2019 follows:

	Balance at December 31, 2018	Increases	Decreases	Balance at December 31, 2019
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 842,552	\$ -	\$ -	\$ 842,552
Landscaping/Parks	3,191,655	-	-	3,191,655
Construction in Progress:				
Building/Equipment	3,048	574,789	-	577,837
Street Intersection	196,400	170,516	-	366,916
Parks and Recreation	-	62,101	-	62,101
Signage	-	1,616,649	-	1,616,649
Water System Facilities	9,503	89,647	89,647	9,503
Wells	16,360	1,662,622	244,197	1,434,785
Wastewater Treatment Plant	-	50,100	-	50,100
Total Capital Assets, Not Being Depreciated	4,259,518	4,226,424	333,844	8,152,098
Capital Assets, Being Depreciated:				
Building/Equipment	878,117	-	-	878,117
Conduit System	1,583,106	-	-	1,583,106
Parks and Recreation	2,819,628	516,110	-	3,335,738
Street Lights	1,699,349	137,797	-	1,837,146
Signage	1,541,494	237,956	-	1,779,450
Total Capital Assets, Being Depreciated	8,521,694	891,863	-	9,413,557
Less Accumulated Depreciation for:				
Building/Equipment	449,869	16,935	-	466,804
Conduit System	1,383,431	22,268	-	1,405,699
Parks and Recreation	1,143,972	61,954	-	1,205,926
Street Lights	707,213	44,170	-	751,383
Signage	411,175	48,566	-	459,741
Total Accumulated Depreciation	4,095,660	193,893	-	4,289,553
Total Capital Assets, Being Depreciated, Net	4,426,034	697,970	-	5,124,004
Governmental Activities Capital Assets, Net	<u>\$ 8,685,552</u>	<u>\$ 4,924,394</u>	<u>\$ 333,844</u>	<u>\$ 13,276,102</u>

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 CAPITAL ASSETS (CONTINUED)

	Balance at December 31, 2018	Increases	Decreases	Balance at December 31, 2019
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Water System Facilities	\$ 10,892,368	\$ 244,197	\$ -	\$ 11,136,565
Wells	7,352,234	244,575	-	7,596,809
Wastewater Treatment Plant	9,742,900	-	-	9,742,900
Sewer System Facilities	9,481,050	-	-	9,481,050
Storm Water System	3,082,378	-	-	3,082,378
Total Capital Assets, Being Depreciated	40,550,930	488,772	-	41,039,702
Less Accumulated Depreciation for:				
Water System Facilities	5,992,102	275,362	-	6,267,464
Wells	1,854,410	186,863	-	2,041,273
Wastewater Treatment Plant	2,061,021	243,573	-	2,304,594
Sewer System Facilities	6,634,844	237,026	-	6,871,870
Storm Water System	308,238	77,060	-	385,298
Total Accumulated Depreciation	16,850,615	1,019,884	-	17,870,499
Total Capital Assets, Being Depreciated, Net	23,700,315	(531,112)	-	23,169,203
Business-Type Activities Capital Assets, Net	<u>\$ 23,700,315</u>	<u>\$ (531,112)</u>	<u>\$ -</u>	<u>\$ 23,169,203</u>

Streets are recorded on the statements of the District until the local municipality accepts the completed streets for maintenance. After acceptance, the investment is transferred to the local municipality.

The District transferred the majority of its public infrastructure improvements to other entities for maintenance responsibility. The District is responsible for the repayment of bonds issued to construct the aforementioned improvements. Consequently, a deficit balance is reflected on the District's statement of net position. The historical value of all transferred improvements is \$29,187,623.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities

General Government	\$ 193,893
Total Depreciation Expense - Governmental Activities	<u>\$ 193,893</u>

Business-Type Activities

Water/Sewer Facilities	\$ 1,019,884
Total Depreciation Expense - Business-Type Activities	<u>\$ 1,019,884</u>

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, 2019:

	Balance at December 31, 2018	Additions	Reductions	Balance at December 31, 2019	Due Within One Year
Governmental Activities					
General Obligation Bonds Payable:					
Series 2011A Refunding Bonds	\$ 54,460,000	\$ -	\$ 1,395,000	\$ 53,065,000	\$ 1,460,000
Series 2011B Refunding Bonds	9,450,000	-	245,000	9,205,000	255,000
Series 2017 Bonds	<u>14,720,000</u>	-	-	<u>14,720,000</u>	-
Total Bonds Payable	78,630,000	-	1,640,000	76,990,000	<u>\$ 1,715,000</u>
Bond Discount - Series 2011	(630,698)	-	(43,816)	(586,882)	
Bond Premium - Series 2017	<u>591,024</u>	-	28,365	<u>562,659</u>	
Total Long-Term Obligations	<u>\$ 78,590,326</u>	<u>\$ -</u>	<u>\$ 1,624,549</u>	<u>\$ 76,965,777</u>	

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The detail of the District's long-term obligations is as follows:

General Obligation Refunding Bonds – Series 2011A and Series 2011B

On October 27, 2011, the District fully refunded and defeased (debt legally satisfied) the Series 2001A General Obligation Refunding Bonds, dated September 1, 2001, with an average interest rate of approximately 5.0% and the Series 2001B General Obligation Refunding and Improvement Bonds, dated September 1, 2001, with an average interest rate of approximately 5.0% by the issuance of \$59,650,000 General Obligation Refunding Bonds, Series 2011A with interest rates ranging from 3.0% to 5.0% and \$10,350,000 General Obligation Refunding Bonds, Series 2011B with interest rates ranging from 3.0% to 5.0%. The defeased bonds are not considered a liability of the District since sufficient funds (\$68,543,724) were deposited with a trustee and invested in U.S. government securities for the purpose of paying the principal and interest of the defeased bonds when due. The Series 2011A and 2011B Bonds maturing on or before December 1, 2021, are not subject to redemption prior to maturity at the option of the District. The Series 2011A and 2011B Bonds maturing on or after December 1, 2022, are subject to redemption prior to maturity at the option of the District.

General Obligation Bonds – Series 2017

On November 14, 2017, the District issued General Obligation Bonds, Series 2017 in the amount of \$14,720,000 with interest rates of 3.50% to 5.00%, consisting of serial bonds in the amount of \$4,970,000 due annually through 2037, term bonds in the amount of \$2,995,000 due December 1, 2042 and term bonds in the amount of \$6,755,000 due December 1, 2047. The proceeds of these bonds will be used for public infrastructure within the District. The bonds maturing on or after December 1, 2028, are subject to redemption prior to maturity, at the option of the District, without redemption premium.

The Series 2017 bonds are insured by Assured Guaranty Municipal Corp. (AGM). At March 23, 2020, AGM was rated AA by Standard & Poor's and A2 by Moody's.

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,715,000	\$ 3,555,019	\$ 5,270,019
2021	1,890,000	3,477,844	5,367,844
2022	2,085,000	3,406,719	5,491,719
2023	2,165,000	3,327,969	5,492,969
2024	2,255,000	3,231,719	5,486,719
2025-2029	12,795,000	14,640,577	27,435,577
2030-2034	16,075,000	11,361,063	27,436,063
2035-2039	20,410,000	7,029,275	27,439,275
2040-2044	13,410,000	2,047,275	15,457,275
2045-2047	4,190,000	296,625	4,486,625
Total	<u>\$ 76,990,000</u>	<u>\$ 52,374,085</u>	<u>\$ 129,364,085</u>

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds – Series 2017 (Continued)

On November 2, 1999, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$25,000,000 for the financing of new improvements and \$85,000,000 for the purposes of debt refunding.

On May 8, 2012, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$275,000,000 for the financing of new improvements and \$200,000,000 for the purposes of debt refunding.

At December 31, 2019, the District had authorized but unissued indebtedness remaining in the amounts of \$274,446,895 for the financing of new improvements and \$212,929,460 for the purposes of debt refunding.

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.

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, 2019, the District had net investment in capital assets calculated as follows:

	Governmental Activities	Business- Type Activities
Net Investment in Capital Assets:		
Capital Assets, Net	\$ -	\$ 23,169,203
Net Investment in Capital Assets	\$ -	\$ 23,169,203

Restricted assets include net position 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, 2019 as follows:

	Governmental Activities	Business- Type Activities
Restricted Net Position:		
Emergencies	\$ 149,000	\$ -
Debt Service Reserve	1,530,281	-
Total Restricted Net Position	\$ 1,679,281	\$ -

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 NET POSITION (CONTINUED)

The District has a deficit in unrestricted net position for governmental activities. The deficit amount in the governmental activities is a result of the District being responsible for repayment of bonds issued for public improvements which were conveyed to other governmental entities and to the Enterprise Fund and which costs were removed from the District's financial records.

NOTE 7 RELATED-PARTY TRANSACTIONS

The Developer of the property within the District is Shea Colorado, LLC and its affiliates (Shea, or Developer). Three of the five Board members of the District are employed by or provide services to a business or businesses that are involved with, may become involved with, or are directly and substantially affected by the activities of the District, and all Board members own real property that is located in the District. These relationships and ownerships, in certain circumstances, may give the appearance that conflicting interests could affect their official activities as Board members but as a general matter they do not disqualify them to serve as Board members. As and when required by law, each affected Board member files a written disclosure of any potential conflicts of interest with the District and the Colorado Secretary of State, and they refrain from voting on affected matters unless allowed by law.

The Developer, through various related entities, performs certain maintenance and management functions for the District and the District provides certain facilities to the Developer. During 2019, the District paid \$6,201,567 (including payments of \$433,259 for materials passed through to the District and \$1,622,156 for pass through items to subcontractors) to the Developer. At December 31, 2019, \$485,519 in related party amounts are included in accounts payable.

The District received payments from the Developer of approximately \$54,522 for the office building lease and utilities.

In 1984, the District and the Developer of the property at that time entered into an agreement pursuant to which the Developer purchases capacity in the District's water and sewer systems. The agreement has been amended several times and currently is contained in the October 3, 2000, Amended and Restated Water and Sewer Tap Purchase Agreement (the Tap Purchase Agreement) between the District and several developer entities. The Tap Purchase Agreement states that the Developer or its predecessors have made tap purchase payments to the District in the amount of \$61,403,590, and the Developer possessed the right to 4,017 taps, each representing a single family equivalent unit of capacity in the system. The Developer is required, upon the request of the District, to allocate and sell such taps to third parties desiring to connect to the system at prices and terms set forth in the Tap Purchase Agreement. In 2019, the Developer issued service and connection fees with a total value of \$2,240,701 that represents 120 taps. At December 31, 2019, the Developer possessed the rights to 654 taps. At December 31, 2019, the District had \$55,500 in accounts payable for service and connection fees.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 8 AGREEMENTS

Connector Agreements

On October 1, 1998, the District and the Developer entered into an agreement whereby the District will provide water and sewer connections to a parcel of land south of the District's boundaries, which is the South Meridian Metropolitan District (SMMD). The Developer of SMMD will provide available water to the District's water supply system in sufficient volume to enable the District to make water taps available to the SMMD property without using or impairing the water rights presently owned by the District. The SMMD Developer will construct the needed lines and, upon completion, will convey them to the District for maintenance and operations. As permitted by the agreement, these responsibilities were assigned by the Developer to the South Meridian Metropolitan District, and restated in a Regional Facilities Agreement.

On January 1, 2001, the District and North Meridian Metropolitan District (NMMD) entered into an agreement whereby the District has acquired or is acquiring all necessary water rights for the provision of water supply for the full estimated build out of the North Development. The District is currently arranging the transfer or lease of certain wells, well sites, intake points if diversion, related easements and applicable permits connected with these rights. Both parties agree that subject to the terms and conditions hereof, the District shall supply adequate water to taps connected within NMMD to accommodate such development.

On June 6, 2000, the District entered into an agreement (restated June 1, 2003, and amended December 7, 2004) whereby the District will provide water and sewer connections to a parcel of land, which constitutes Meridian Village Metropolitan District No. 1 and Meridian Village Metropolitan District No. 2 (Meridian Village No. 1 and Meridian Village No. 2, respectively). Meridian Village No. 1 and No. 2 will make water available to the District's water supply system in sufficient volume to enable the District to make water connections available to the Meridian Village No. 1 and No. 2 properties without using or impairing the water rights presently owned by the District. Meridian Village No. 1 and No. 2 will construct the needed lines and, upon completion, will convey them to the District for maintenance and operations.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 8 AGREEMENTS (CONTINUED)

Covenant Obligations

Effective December 1, 2004, the District entered into an agreement regarding covenant obligations and support services with TCD North, Inc. (North), Meridian Associates East (MAE), Meridian Associates West (MAW), Meridian-MB Investments, LLC (Meridian-MB), the Design Control Committee of Meridian International Business Center (Meridian DCC), the Design Control Committee of Meridian Commons (Meridian Commons DCC) and the Design Control Committee of Meridian (North Area) (Meridian North DCC). The Design Control Committees were created to administer the protective covenants of properties which lie in the District's service area. With this agreement, North, MAE, MAW, and the Design Control Committees have delegated to the District the responsibility for the performance of certain functions and duties pursuant to the protective covenants. Due to North's familiarity and involvement with matters relating to the protective covenants, the parties agreed that North would continue to provide the services needed to administer the covenants. All of North's rights and obligations have been assigned to Shea (as defined in Note 7). Design Control Committees will continue to bear responsibility for and exercise all the powers granted and/or assigned to them in the protective covenants.

Effective January 1, 2013, the agreement was updated to include provisions for the District to fund DCC to the extent that the service charges are not sufficient to cover the full cost of the operations. The agreement terminates on December 31, 2022.

For each calendar year following 2013, the management fee shall be \$15,000 per month increased by the Denver-Boulder CPI for the prior year for the duration of the obligation. The fees invoiced by and paid to Shea for 2019 were \$159,650.

At December 31, 2019, the District had \$184,685 in cash and investments related to the DCC covenant obligations comprised of payables and security deposits being held by the District.

NOTE 9 DISTRICT COST SHARING PARTICIPATION AGREEMENTS

South Metro Water Supply Authority

In 2000, the District signed a participation agreement for funding of the South Metro Water Supply Authority (SMWSA) to define water strategies to meet near and long-term water needs of the south metro area. In 2019, the District paid \$14,852 to SMWSA.

South Metro WISE Authority

On July 10, 2013, the District entered into the South Metro WISE (Water, Infrastructure, and Supply Efficiency) Authority Formation and Organizational Intergovernmental Agreement. This Agreement commits the District to participate in the WISE Partnership through the South Metro WISE Authority. The Agreement also defines how costs will be shared between participating members. The District has committed to subscribing to 300-acre feet (AF) out of a total of 7,225 AF (4.15%) of renewable water to be delivered annually from the WISE Partnership. During 2019, the District paid WISE \$19,417 for administrative costs.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 9 DISTRICT COST SHARING PARTICIPATION AGREEMENTS (CONTINUED)

South Metro WISE Authority (Continued)

The WISE Partnership entered into the WISE Partnership – Water Delivery Agreement between the city and county of Denver, acting by and through its Board of Water Commissioners, the city of Aurora acting by and through its Utility Enterprise, and the South Metro WISE Authority. The Water Delivery Agreement is the overarching agreement that defines the terms under which Denver and Aurora will deliver water to the South Metro WISE Authority members. There were engineering design and construction contracts required to transport water to be entered into by the South Metro WISE Authority during 2013, 2014, and 2015 in order to begin taking deliveries of water. The District was responsible for approximately \$3,200,000 in capital costs to transport water. As of December 31, 2019, the District has spent \$3,200,912 in capital costs. Additionally, there will be subscription fees, WISE operations and maintenance costs, WISE capital costs, District variable pumping costs, and the District's share of operating and maintenance costs which will be billed based upon water delivered. As of December 31, 2019, water capacity payments totaled \$246,767. The District is responsible for paying its share of 4.15% of the WISE Operations based on the District's infrastructure capacity. Operational costs for 2019 is \$56,307.

In February 2019, the District entered into a Purchase and Sale Agreement with Denver Southeast Suburban Water & Sanitation District d/b/a Pinery Water & Sanitation District ("Pinery"), a party to the South Metro WISE Authority Formation and Organizational Intergovernment Agreement. The Agreement allows the District to purchase 0.75 million gallons per day of capacity in the Western Pipeline and the future Binney Connection project from Pinery. In 2019, the District purchased \$785,770 of capacity, which included \$41,151 of operation reimbursements.

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

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

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

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 11 COMMITMENTS AND CONTINGENCIES

Water Lease

The District has entered into a lease for water rights from the Developer, which together with water rights owned by the District, are sufficient to meet current demand within the District's service area. The original term of the lease is 50 years, 1982 through 2032, with two 35-year renewal options and provisions for annual adjustments. Total lease payments were \$324,358 for the year ended December 31, 2019.

Construction Commitments

As of December 31, 2019, the District had unexpended construction related contract commitments of \$3,036,718.

NOTE 12 REGIONAL FACILITIES AGREEMENTS

The District has entered into separate Regional Facilities Agreements (RFA), dated January 1, 1999, with South Meridian Metropolitan District (South Meridian) and North Meridian Metropolitan District (North Meridian). The purpose of each RFA is to set forth the rights and obligations of North Meridian and South Meridian to issue indebtedness to fund, and for the District to construct, own or transfer, and operate and maintain, public facilities that benefit each district. The District is obligated to acquire all necessary water rights for the provision of water supply for the full estimated build out of North and South Meridian, and to manage construction of improvements and handle the books and records of each district. North and South Meridian are obligated to fund the improvements through limited tax obligation debt or other revenues that are legally available. At December 31, 2019, the District owed North Meridian \$1,292 and South Meridian owed the District \$181,504 pursuant to this agreement.

NOTE 13 TAX, SPENDING AND DEBT LIMITATION

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.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District's management believes a significant portion of its operations qualifies for this exclusion.

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.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 13 TAX, SPENDING AND DEBT LIMITATION (CONTINUED)

On November 7, 1995, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and other revenue of the District for 1995 and any year thereafter, without regard to any limitations under TABOR.

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.

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 and qualification as an enterprise will require judicial interpretation.

NOTE 14 INTERFUND TRANSFERS

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

The transfer from the General Fund to the Enterprise Fund was to support budgeted DCC expenditures.

NOTE 15 SUBSEQUENT EVENT

General Obligation Refunding Loans – Series 2020A and Series 2020B

General Obligation Improvement Loan – Series 2020C

On March 24, 2020, the District fully refunded and defeased (debt legally satisfied) the Series 2011A General Obligation Refunding Bonds, dated October 27, 2011, with interest rates ranging from 3% to 5.0% and the Series 2011B General Obligation Refunding and Improvement Bonds, dated October 27, 2011, with interest rates ranging from 3% to 5.0% by the issuance of \$54,616,000 General Obligation Refunding Loan, Series 2020A with interest rates ranging from 2.16% to 2.74% and \$9,434,000 General Obligation Refunding Loan, Series 2020B with interest rates ranging from 2.16% to 2.74%. The defeased bonds are not considered a liability of the District since sufficient funds (\$64,063,000) were deposited with a trustee and invested in U.S. government securities for the purpose of paying the principal and interest of the defeased bonds when due. The Series 2020A and Series 2020B Loans are taxable and convertible to tax-exempt Loans which will be evidenced by separate promissory notes from the District to the Lender.

**MERIDIAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 15 SUBSEQUENT EVENT (CONTINUED)

General Obligation Refunding Loans – Series 2020A and Series 2020B

General Obligation Improvement Loan – Series 2020C (Continued)

On March 24, 2020, the District issued General Obligation Loan, Series 2020C in the amount of \$6,013,000 with interest rates of 2.16% to 2.74%. The proceeds of 2020C Loan will be applied to finance certain public improvements within the District.

The 2020 Loans call for interest payments on June 1 and December 1 commencing on June 1, 2020. The principal payments are due annually on December 1 commencing December 1, 2020 through 2040. The 2020 Loans maturing on or after December 1, 2030, are subject to redemption prior to maturity, at the option of the District, without redemption premium.

SUPPLEMENTARY INFORMATION

**MERIDIAN METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 5,350,901	\$ 5,174,744	\$ (176,157)
Specific Ownership Taxes	535,230	510,368	(24,862)
In-Lieu Tax Fees	350	425	75
Investment Income	34,000	21,094	(12,906)
Total Revenues	<u>5,920,481</u>	<u>5,706,631</u>	<u>(213,850)</u>
EXPENDITURES			
Bond Interest	3,628,819	3,628,819	-
Bond Principal	1,640,000	1,640,000	-
Contingency	10,000	-	10,000
County Treasurer's Fees	80,285	73,924	6,361
Paying Agent Fees	1,000	645	355
Total Expenditures	<u>5,360,104</u>	<u>5,343,388</u>	<u>16,716</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	560,377	363,243	(197,134)
Fund Balance - Beginning of Year	<u>1,448,940</u>	<u>1,463,290</u>	<u>14,350</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,009,317</u></u>	<u><u>\$ 1,826,533</u></u>	<u><u>\$ (182,784)</u></u>

**MERIDIAN METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
System Development Fees	\$ 1,200,000	\$ -	\$ (1,200,000)
Net Investment Income	315,000	502,586	187,586
Reimbursed Expenditures	5,000	-	(5,000)
Miscellaneous Income	5,000	244,512	239,512
Total Revenues	<u>1,525,000</u>	<u>747,098</u>	<u>(777,902)</u>
EXPENDITURES			
Support Management	71,848	77,661	(5,813)
Capital Outlay:			
Streets/Sidewalks/Transportation:			
Intersection Reconfiguration	950,000	166,882	783,118
Streets, Lights, and Sidewalks	400,000	137,797	262,203
Station Site - Road	500,000	3,634	496,366
Landscape/Identity:			
Jamaica Triangle Wall			-
Wayfinding Signs	75,000	350	74,650
Signage/Monumentation	3,125,000	1,854,605	1,270,395
Park:			
Landscaping and Walls	800,000	399,330	400,670
Parking Area Upgrades	150,000	88,666	61,334
Park Upgrades	150,000	55,613	94,387
M-Bike	150,000	326,725	(176,725)
Trail Expansion	275,000	34,602	240,398
Station Site - Plaza	500,000	15,053	484,947
Wells/Irrigation:			
Restart/Redrill Wells	350,000	718,009	(368,009)
Water/Wastewater Facilities:			
Digester Repair/Upgrade	1,440,000	657,010	782,990
MS4 Permit	500,000	-	500,000
Painting/Coating Water/Sewage Facilities	60,000	-	60,000
Potable Storage Tank Upgrades	100,000	-	100,000
Water Acquisition	1,000,000	-	1,000,000
ASR Phase 1 / DE 1R	200,000	43,406	156,594
Lake Storage Increase	100,000	50,100	49,900
Clarifier Repair	-	244,197	(244,197)
Miscellaneous Projects:			
Conduit System	-	3,225	(3,225)
HQ Restoration	1,000,000	559,736	440,264
Capital Rehab & Replacement	100,000	89,647	10,353
Contingency	100,000	-	100,000
Total Expenditures	<u>12,096,848</u>	<u>5,526,248</u>	<u>6,570,600</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(10,571,848)	(4,779,150)	5,792,698
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	1,750,000	2,200,000	450,000
Total Other Financing Sources	<u>1,750,000</u>	<u>2,200,000</u>	<u>450,000</u>
NET CHANGE IN FUND BALANCE	(8,821,848)	(2,579,150)	6,242,698
Fund Balance - Beginning of Year	<u>20,582,185</u>	<u>21,527,417</u>	<u>945,232</u>
FUND BALANCE - END OF YEAR	<u>\$ 11,760,337</u>	<u>\$ 18,948,267</u>	<u>\$ 7,187,930</u>

**MERIDIAN METROPOLITAN DISTRICT
 PROPRIETARY FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 YEAR ENDED DECEMBER 31, 2019**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Water Sales - Irrigation	\$ 955,000	\$ 955,000	\$ 1,000,126	\$ 45,126
Water Sales - Potable	2,265,000	2,265,000	2,222,853	(42,147)
Sewer Sales	2,050,000	2,050,000	2,155,845	105,845
Building Lease	8,500	8,500	10,495	1,995
Conduit Lease	325,000	325,000	636,486	311,486
Miscellaneous Income	5,000	5,000	1,543	(3,457)
Net Investment Income	66,000	66,000	227,075	161,075
Reimbursed Expenditures	7,500	7,500	693	(6,807)
DCC Fees	50,000	50,000	10,450	(39,550)
Total Revenues	<u>5,732,000</u>	<u>5,732,000</u>	<u>6,265,566</u>	<u>533,566</u>
EXPENDITURES				
Cost of Services:				
Contract Services	1,532,417	1,532,417	1,432,919	99,498
Electric and Gas	740,000	740,000	715,395	24,605
Materials and Supplies	560,000	560,000	436,323	123,677
Operational Support	1,055,100	1,055,100	989,945	65,155
Water Purchase/Lease	200,000	200,000	326,249	(126,249)
Administration and General Expenses:				
DCC Expenditures	209,650	209,650	175,614	34,036
Accounting	44,600	44,600	55,489	(10,889)
Audit	8,500	8,500	8,450	50
Dues and Subscriptions	7,150	7,150	12,749	(5,599)
Engineering and Consulting	235,000	775,000	652,120	122,880
Insurance	42,220	42,220	44,998	(2,778)
Legal	75,000	75,000	71,226	3,774
Office Overhead	25,000	25,000	25,596	(596)
Support Management	133,432	133,432	127,618	5,814
Capital Expenditures/Outlay:				
Capital Expenditures	905,583	905,583	85,682	819,901
Capital Outlay	150,000	150,000	154,928	(4,928)
WISE	625,795	625,795	1,090,248	(464,453)
Total Expenditures	<u>6,549,447</u>	<u>7,089,447</u>	<u>6,405,549</u>	<u>683,898</u>
EXCESS OF REVENUES OVER (UNDER) OVER (UNDER) EXPENDITURES	(817,447)	(1,357,447)	(139,983)	1,217,464
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	150,000	150,000	150,000	-
Total Other Financing Sources	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ (667,447)</u>	<u>\$ (1,207,447)</u>	<u>\$ 10,017</u>	<u>\$ 1,217,464</u>

**MERIDIAN METROPOLITAN DISTRICT
 PROPRIETARY FUND
 RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2019**

	Actual
EXCESS OF REVENUES OVER EXPENDITURES (BUDGETARY BASIS)	\$ 10,017
Add:	
Contributed Facilities	333,844
Current Year Capital Outlay	154,928
Deduct:	
Depreciation	(1,019,884)
CHANGE IN NET POSITION	(521,095)
Total Net Position - Beginning of Year	31,658,304
TOTAL NET POSITION - END OF YEAR	\$ 31,137,209

**MERIDIAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2019**

Bonds and Interest Maturing in the Year Ending December 31,	\$59,650,000 General Obligation Refunding Bonds Interest Rate - 3.0% to 5.0% Series 2011A Dated October 27, 2011 Interest Payable June 1 and December 1 Principal Payable December 1			\$10,350,000 General Obligation Refunding Bonds Interest Rate - 3.0% to 5.0% Series 2011B Dated October 27, 2011 Interest payable June 1 and December 1 Principal payable December 1		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 1,460,000	\$ 2,532,544	\$ 3,992,544	\$ 255,000	\$ 437,500	\$ 692,500
2021	1,525,000	2,466,844	3,991,844	265,000	426,025	691,025
2022	1,585,000	2,409,656	3,994,656	275,000	416,088	691,088
2023	1,645,000	2,350,219	3,995,219	285,000	405,775	690,775
2024	1,715,000	2,276,194	3,991,194	300,000	392,950	692,950
2025	1,785,000	2,205,450	3,990,450	310,000	380,575	690,575
2026	1,865,000	2,129,588	3,994,588	325,000	367,400	692,400
2027	1,940,000	2,050,325	3,990,325	340,000	353,588	693,588
2028	2,025,000	1,965,450	3,990,450	355,000	338,713	693,713
2029	2,125,000	1,866,763	3,991,763	370,000	321,850	691,850
2030	2,230,000	1,763,325	3,993,325	385,000	304,275	689,275
2031	2,340,000	1,654,900	3,994,900	405,000	285,988	690,988
2032	2,450,000	1,541,250	3,991,250	425,000	266,750	691,750
2033	2,575,000	1,418,750	3,993,750	445,000	245,500	690,500
2034	2,700,000	1,290,000	3,990,000	470,000	223,250	693,250
2035	2,835,000	1,155,000	3,990,000	490,000	199,750	689,750
2036	2,980,000	1,013,250	3,993,250	515,000	175,250	690,250
2037	3,130,000	864,250	3,994,250	540,000	149,500	689,500
2038	3,285,000	707,750	3,992,750	570,000	122,500	692,500
2039	3,450,000	543,500	3,993,500	595,000	94,000	689,000
2040	3,620,000	371,000	3,991,000	625,000	64,250	689,250
2041	3,800,000	190,000	3,990,000	660,000	33,000	693,000
2042	-	-	-	-	-	-
2043	-	-	-	-	-	-
2044	-	-	-	-	-	-
2045	-	-	-	-	-	-
2046	-	-	-	-	-	-
2047	-	-	-	-	-	-
Total	\$ 53,065,000	\$ 34,766,008	\$ 87,831,008	\$ 9,205,000	\$ 6,004,477	\$ 15,209,477

**MERIDIAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2019**

Bonds and Interest Maturing in the Year Ending December 31,	\$14,270,000 General Obligation Bonds Interest Rate - 3.50% to 5.00% Series 2017 Dated November 14, 2017 Interest payable June 1 and December 1 Principal payable December 1					
	Principal payable December 1			Total		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ -	\$ 584,975	\$ 584,975	\$ 1,715,000	\$ 3,555,019	\$ 5,270,019
2021	100,000	584,975	684,975	1,890,000	3,477,844	5,367,844
2022	225,000	580,975	805,975	2,085,000	3,406,719	5,491,719
2023	235,000	571,975	806,975	2,165,000	3,327,969	5,492,969
2024	240,000	562,575	802,575	2,255,000	3,231,719	5,486,719
2025	250,000	552,975	802,975	2,345,000	3,139,000	5,484,000
2026	260,000	542,975	802,975	2,450,000	3,039,963	5,489,963
2027	270,000	532,575	802,575	2,550,000	2,936,488	5,486,488
2028	280,000	521,775	801,775	2,660,000	2,825,938	5,485,938
2029	295,000	510,575	805,575	2,790,000	2,699,188	5,489,188
2030	305,000	498,775	803,775	2,920,000	2,566,375	5,486,375
2031	315,000	486,575	801,575	3,060,000	2,427,463	5,487,463
2032	330,000	473,975	803,975	3,205,000	2,281,975	5,486,975
2033	345,000	460,775	805,775	3,365,000	2,125,025	5,490,025
2034	355,000	446,975	801,975	3,525,000	1,960,225	5,485,225
2035	375,000	432,775	807,775	3,700,000	1,787,525	5,487,525
2036	385,000	417,775	802,775	3,880,000	1,606,275	5,486,275
2037	405,000	402,375	807,375	4,075,000	1,416,125	5,491,125
2038	415,000	386,175	801,175	4,270,000	1,216,425	5,486,425
2039	440,000	365,425	805,425	4,485,000	1,002,925	5,487,925
2040	460,000	343,425	803,425	4,705,000	778,675	5,483,675
2041	480,000	320,425	800,425	4,940,000	543,425	5,483,425
2042	1,200,000	296,425	1,496,425	1,200,000	296,425	1,496,425
2043	1,260,000	236,425	1,496,425	1,260,000	236,425	1,496,425
2044	1,305,000	192,325	1,497,325	1,305,000	192,325	1,497,325
2045	1,350,000	146,650	1,496,650	1,350,000	146,650	1,496,650
2046	1,395,000	99,400	1,494,400	1,395,000	99,400	1,494,400
2047	1,445,000	50,575	1,495,575	1,445,000	50,575	1,495,575
Total	\$ 14,720,000	\$ 11,603,600	\$ 26,323,600	\$ 76,990,000	\$ 52,374,085	\$ 129,364,085

**MERIDIAN METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY,
AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2019**

Year Ended December 31.	Prior Year Assessed Valuation for Current Year Property Tax Levy ⁽¹⁾		Mills Levied		Total Property Taxes		Percentage Collected to Levied
	General	Debt	General	Debt	Levied	Collected	
	Fund	Service	Fund	Service			
2011	\$ 154,733,860	\$ 163,092,400	14.421	29.818	\$ 7,094,506	\$ 6,634,416	93.5 %
2012	134,005,340	142,470,510	36.821	1.169	5,100,759	4,819,778	94.5
2013	134,176,800	143,496,930	23.000	21.000	6,099,502	5,919,273	97.0
2014	144,616,280	157,288,322	24.000	22.000	6,931,133	6,814,506	98.3
2015	152,556,700	165,692,390	27.000	22.000	7,764,262	7,719,063	99.4
2016	159,824,190	177,800,520	29.000	21.000	8,489,971	8,294,579	97.7
2017	155,350,790	174,335,460	24.000	25.000	8,211,978	8,297,818	101.0
2018	190,588,200	212,505,240	24.250	25.260	10,072,736	10,007,151	99.3
2019							
Debt Service		\$ 211,832,970		25.260	\$ 5,350,901	\$ 5,174,744	
Operational	\$ 189,831,740		24.250		4,603,420	4,434,306	
					<u>\$ 9,954,321</u>	<u>\$ 9,609,050</u>	(2) 96.5 %
Estimated for Calendar Year December 31, 2020							
Debt Service		\$ 210,887,570		25.260	\$ 5,495,441		
Operational	\$ 185,423,880		24.250		4,638,693		
					<u>\$ 10,134,134</u>		

Note:

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

(1) Certain properties within the District are included for the debt service mill levy, but excluded for general fund purposes as a result of the residents electing to be excluded from the District's services.

(2) Balance collected includes tax abatements and refunds totaling \$201,263.

CONTINUING DISCLOSURE OBLIGATION

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION
YEAR ENDED DECEMBER 31, 2019**

**BUDGET SUMMARY AND COMPARISON
GENERAL FUND
(UNAUDITED)**

	2019			2020
	Final Budget	Actual	Variance	Budget
REVENUES				
Property Taxes	\$ 4,603,420	\$ 4,434,306	\$ (169,114)	\$ 4,638,693
Specific Ownership Taxes	513,830	487,019	(26,811)	487,063
Intergovernmental	174,477	179,617	5,140	176,260
Building Lease	25,500	31,485	5,985	32,390
In-Lieu Tax Fees	117	142	25	120
Reimbursed Expenditures	17,500	10,809	(6,691)	17,500
Net Investment Income	20,000	4,862	(15,138)	20,000
Other Income	-	1,260	1,260	-
Total Revenues	<u>5,354,844</u>	<u>5,149,500</u>	<u>(205,344)</u>	<u>5,372,026</u>
EXPENDITURES				
Accounting and Audit	53,100	63,939	(10,839)	60,850
Board Support	15,000	10,375	4,625	15,000
Consulting	-	-	-	10,000
Contingency	-	-	-	53,250
County Treasurer's Fees	77,075	70,257	6,818	69,580
Community Events	40,000	28,739	11,261	40,000
Dues and Subscriptions	35,000	17,367	17,633	25,542
GIS Services	37,000	25,750	11,250	35,000
Insurance	42,220	44,998	(2,778)	47,000
Legal	25,000	23,742	1,258	45,000
Payroll Tax	450	398	52	450
Irrigation (SMMD)	45,000	14,814	30,186	45,000
Engineering	45,000	5,366	39,634	45,000
Electric and Gas	80,000	49,517	30,483	80,000
Office Overhead	58,500	33,149	25,351	35,500
Operational Support	2,311,900	2,309,871	2,029	2,702,700
Contract Services	291,500	247,117	44,383	314,000
Materials	135,000	111,041	23,959	150,000
Total Expenditures	<u>3,291,745</u>	<u>3,056,440</u>	<u>235,305</u>	<u>3,773,872</u>
EXCESS OF REVENUES OVER EXPENDITURES	2,063,099	2,093,060	29,961	1,598,154
OTHER FINANCING SOURCES (USES)				
Operating Transfers In (Out)	(2,350,000)	(2,350,000)	-	(1,310,000)
Total Other Financing Uses	<u>(2,350,000)</u>	<u>(2,350,000)</u>	<u>-</u>	<u>(1,310,000)</u>
NET CHANGE IN FUND BALANCES	(286,901)	(256,940)	29,961	288,154
Fund Balances - Beginning of Year	<u>801,988</u>	<u>801,988</u>	<u>-</u>	<u>500,256</u>
FUND BALANCES - END OF YEAR	<u>\$ 515,087</u>	<u>\$ 545,048</u>	<u>\$ 29,961</u>	<u>\$ 788,410</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

**BUDGET SUMMARY AND COMPARISON
DEBT SERVICE FUND
(UNAUDITED)**

	2019		2020
	Budget	Actual	Variance
			Budget
REVENUES			
Property Taxes	\$ 5,350,901	\$ 5,174,744	\$ (176,157)
Specific Ownership Taxes	535,230	510,368	(24,862)
In-Lieu Tax Fees	350	425	75
Investment Income	34,000	21,094	(12,906)
Total Revenues	<u>5,920,481</u>	<u>5,706,631</u>	<u>(213,850)</u>
EXPENDITURES			
County Treasurer's Fees	80,285	73,924	6,361
Bond Principal	1,640,000	1,640,000	-
Bond Interest	3,628,819	3,628,819	-
Paying Agent Fees	1,000	645	355
Contingency	10,000	-	10,000
Total Expenditures	<u>5,360,104</u>	<u>5,343,388</u>	<u>16,716</u>
NET CHANGE IN FUND BALANCES	560,377	363,243	(197,134)
Fund Balances - Beginning of Year	<u>1,448,940</u>	<u>1,463,290</u>	<u>14,350</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 2,009,317</u></u>	<u><u>\$ 1,826,533</u></u>	<u><u>\$ (182,784)</u></u>
	<u><u>\$ 2,604,472</u></u>		

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

**BUDGET SUMMARY AND COMPARISON
CAPITAL PROJECTS FUND
(UNAUDITED)**

	2019		Variance	2020
	Budget	Actual		Budget
REVENUES				
Investment Income	\$ 315,000	\$ 502,586	\$ 187,586	\$ 315,000
Reimbursed Expenditures	5,000	-	(5,000)	5,000
System Development Fees	1,200,000	-	(1,200,000)	1,280,000
Miscellaneous Income	5,000	244,512	239,512	5,000
Total Revenues	<u>1,525,000</u>	<u>747,098</u>	<u>(777,902)</u>	<u>1,605,000</u>
EXPENDITURES				
Support Management	71,848	77,661	(5,813)	75,440
Capital Outlay	12,025,000	5,448,587	6,576,413	8,373,909
Total Expenditures	<u>12,096,848</u>	<u>5,526,248</u>	<u>6,570,600</u>	<u>8,449,349</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(10,571,848)	(4,779,150)	5,792,698	(6,844,349)
OTHER FINANCING SOURCES AND (USES)				
Operating Transfers In (Out)	1,750,000	2,200,000	450,000	1,160,000
Total Other Financing Sources	<u>1,750,000</u>	<u>2,200,000</u>	<u>450,000</u>	<u>1,160,000</u>
NET CHANGE IN FUND BALANCES	(8,821,848)	(2,579,150)	6,242,698	(5,684,349)
Fund Balances - Beginning of Year	<u>20,582,185</u>	<u>21,527,417</u>	<u>945,232</u>	<u>16,641,068</u>
FUND BALANCES - END OF YEAR	<u>\$ 11,760,337</u>	<u>\$ 18,948,267</u>	<u>\$ 7,187,930</u>	<u>\$ 10,956,719</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GENERAL FUND
(UNAUDITED)**

	2015	2016	2017	2018	2019
REVENUES					
Property Taxes	\$ 4,093,973	\$ 4,532,621	\$ 3,778,270	\$ 4,628,029	\$ 4,434,306
Specific Ownership Taxes	393,371	423,970	404,840	486,479	487,019
Intergovernmental	113,910	116,871	130,980	177,096	179,617
Building Lease	24,750	24,750	24,750	30,568	31,485
In-Lieu Tax Fees	91	113	101	117	142
Reimbursed Expenditures	15,026	15,170	7,606	13,052	10,809
Net Investment Income	-	18,082	49,175	23,574	4,862
Other Income	4,077	15,620	14,010	8,272	1,260
Total Revenues	<u>4,645,198</u>	<u>5,147,197</u>	<u>4,409,732</u>	<u>5,367,187</u>	<u>5,149,500</u>
EXPENDITURES					
Accounting and Audit	41,086	42,071	42,408	42,780	63,939
Board Support	6,941	6,684	8,738	13,392	10,375
Community Events	-	-	41,480	31,822	28,739
Contract Services	141,752	143,253	169,521	171,181	247,117
Dues and Subscriptions	19,998	18,843	16,682	24,325	17,367
Electric and Gas	47,487	51,448	46,711	45,681	49,517
Engineering and Consulting	21,635	10,015	67,417	44,125	5,366
GIS Services	-	-	-	39,900	25,750
Insurance	31,280	34,477	40,327	43,106	44,998
Irrigation (SMMD)	21,349	50,037	13,359	34,700	14,814
Landscaping	138,024	129,079	-	-	-
Legal	20,888	15,906	15,984	38,653	23,742
Materials	-	-	110,330	114,022	111,041
Office Overhead	31,319	44,972	37,765	34,137	33,149
Operational Support	1,777,283	1,901,747	1,995,442	2,128,481	2,309,871
Payroll Tax	344	375	444	344	398
County Treasurer's Fees	61,448	68,033	56,748	69,592	70,257
Contingency	-	-	20,719	2,337	-
Total Expenditures	<u>2,360,834</u>	<u>2,516,940</u>	<u>2,684,075</u>	<u>2,878,578</u>	<u>3,056,440</u>
EXPENDITURES	2,284,364	2,630,257	1,725,657	2,488,609	2,093,060
OTHER FINANCING SOURCES (USES)					
Operating Transfers In (Out)	<u>(2,280,000)</u>	<u>(2,704,945)</u>	<u>(1,662,000)</u>	<u>(2,250,000)</u>	<u>(2,350,000)</u>
Total Other Financing Sources (Uses)	<u>(2,280,000)</u>	<u>(2,704,945)</u>	<u>(1,662,000)</u>	<u>(2,250,000)</u>	<u>(2,350,000)</u>
NET CHANGE IN FUND BALANCES	4,364	(74,688)	63,657	238,609	(256,940)
Fund Balances - Beginning of Year	<u>570,046</u>	<u>574,410</u>	<u>499,722</u>	<u>563,379</u>	<u>801,988</u>
FUND BALANCES - END OF YEAR	<u>\$ 574,410</u>	<u>\$ 499,722</u>	<u>\$ 563,379</u>	<u>\$ 801,988</u>	<u>\$ 545,048</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - DEBT SERVICE FUND
(UNAUDITED)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
REVENUES					
Property Taxes	\$ 3,625,090	\$ 3,761,958	\$ 4,519,548	\$ 5,379,123	\$ 5,174,744
Specific Ownership Taxes	353,162	357,135	494,706	578,719	510,368
In-Lieu Tax Fees	235	293	304	350	425
Investment Income	10,833	1,724	26,729	30,364	21,094
Total Revenues	<u>3,989,320</u>	<u>4,121,110</u>	<u>5,041,287</u>	<u>5,988,556</u>	<u>5,706,631</u>
EXPENDITURES					
County Treasurer's Fees	54,408	56,483	67,897	80,868	73,924
Debt Service	4,682,094	4,683,444	4,685,327	5,295,248	5,269,464
Total Expenditures	<u>4,736,502</u>	<u>4,739,927</u>	<u>4,753,224</u>	<u>5,376,116</u>	<u>5,343,388</u>
NET CHANGE IN FUND BALANCES	(747,182)	(618,817)	288,063	612,440	363,243
Fund Balances - Beginning of Year	<u>1,928,786</u>	<u>1,181,604</u>	<u>562,787</u>	<u>850,850</u>	<u>1,463,290</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 1,181,604</u></u>	<u><u>\$ 562,787</u></u>	<u><u>\$ 850,850</u></u>	<u><u>\$ 1,463,290</u></u>	<u><u>\$ 1,826,533</u></u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUND
(UNAUDITED)**

	2015	2016	2017	2018	2019
REVENUES					
Investment Income	\$ 11,721	\$ 21,185	\$ 76,891	\$ 490,305	\$ 502,586
Reimbursed Expenditures	-	754,226	2,774	42,372	-
Miscellaneous Income	-	3,287	5,000	48,066	244,512
Total Revenues	<u>11,721</u>	<u>778,698</u>	<u>84,665</u>	<u>580,743</u>	<u>747,098</u>
EXPENDITURES					
Bond Issuance Costs	-	-	340,729	-	-
Capital Outlay	2,623,511	1,352,276	1,927,482	1,893,545	5,448,587
Support Management	64,720	65,207	67,725	69,755	77,661
Total Expenditures	<u>2,688,231</u>	<u>1,417,483</u>	<u>2,335,936</u>	<u>1,963,300</u>	<u>5,526,248</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(2,676,510)	(638,785)	(2,251,271)	(1,382,557)	(4,779,150)
OTHER FINANCING SOURCES AND (USES)					
Bond Proceeds	-	-	14,720,000	-	-
Bond Premium	-	-	620,729	-	-
Operating Transfers In	2,130,000	2,588,945	1,512,000	2,100,000	2,200,000
Total Other Financing Sources	<u>2,130,000</u>	<u>2,588,945</u>	<u>16,852,729</u>	<u>2,100,000</u>	<u>2,200,000</u>
NET CHANGE IN FUND BALANCES	(546,510)	1,950,160	14,601,458	717,443	(2,579,150)
Fund Balances - Beginning of Year	<u>4,804,866</u>	<u>4,258,356</u>	<u>6,208,516</u>	<u>20,809,974</u>	<u>21,527,417</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,258,356</u>	<u>\$ 6,208,516</u>	<u>\$ 20,809,974</u>	<u>\$ 21,527,417</u>	<u>\$ 18,948,267</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

**HISTORY OF ASSESSED VALUATIONS FOR THE DISTRICT
(UNAUDITED)**

Levy/ Collection Year	Property Within the District and the 2003-06 Excluded Property (Series 2011B Property)		1999 Excluded Property		Total (Series 2011A Property)
	Assessed Valuation	Percent Change	Assessed Valuation	Percent Change	Assessed Valuation
2014/2015	\$ 152,556,700	5.5%	\$ 13,135,690	3.7%	\$ 165,692,390
2015/2016	159,824,190	4.8%	17,976,330	36.9%	177,800,520
2016/2017	155,350,790	-2.8%	18,984,670	5.6%	174,335,460
2017/2018	190,588,200	22.7%	21,917,040	15.4%	212,505,240
2018/2019	189,831,740	-0.4%	22,001,230	0.4%	211,832,970
2019/2020	185,423,880	-2.3%	25,463,690	15.7%	210,887,570

HISTORY OF MILL LEVIES FOR THE DISTRICT

Levy/ Collection Year	Property Within the District and the 2003-06 Excluded Property				1999 Excluded Property
	General Fund	Debt Service	Special Abatement	Total	Debt Service
2014/2015	27.000	22.000	-	49.000	22.000
2015/2016	29.000	21.000	-	50.000	21.000
2016/2017	24.000	25.000	-	49.000	25.000
2017/2018	24.250	25.260	0.391	49.901	25.260
2018/2019	24.250	25.260	-	49.510	25.260
2019/2020	24.250	25.260	1.675	51.185	25.260

**PROPERTY TAX COLLECTIONS FOR THE DISTRICT
(UNAUDITED)**

Levy/ Collection Year	Property Within the District and the 2003-06 Excluded Property			1999 Excluded Property		
	Taxes Levied	Current Tax Collections	Collection Rate	Taxes Levied	Current Tax Collections	Collection Rate
2013/2014	\$ 6,652,348	\$ 6,541,410	98.33%	\$ 278,785	\$ 273,096	97.96%
2014/2015	7,475,278	7,445,967	99.61%	288,985	288,985	100.00%
2015/2016	8,100,210	7,904,816	97.59%	389,762	389,763	100.00%
2016/2017	7,723,731	7,809,570	101.11%	488,247	488,248	100.00%
2017/2018	9,510,542	9,451,047	99.37%	562,194	556,105	98.92%
2018/2019	9,398,569	9,053,299	96.33%	555,751	555,751	100.00%

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

TEN LARGEST TAXPAYERS IN THE DISTRICT FOR 2019

Taxpayer Name	Assessed Valuation	Percentage of Total Assessed Valuation
Teletch Services Corporation	\$ 14,177,470	6.72%
Echostar	13,444,770	6.38%
AGNL Engineering LLC	12,680,810	6.01%
Hauppauge LLC	11,571,810	5.49%
Meridian Office Partners LLC	11,282,780	5.35%
Liberty Property Holdings Inc	10,856,760	5.15%
Cognizant Trizetto Software Group Inc	6,146,300	2.91%
St Paul Fire & Marine Insurance Company	5,767,840	2.74%
Denver Meridian Gateway Equities LLC	5,694,470	2.70%
Maroon Englewood LLC	5,471,960	2.59%
	<u>\$ 97,094,970</u>	<u>46.04%</u>

2019 ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT

Property Class	Property Within the District and the 2003-06 Excluded Property		1999 Excluded Property	
	Total Assessed Valuation	Percent of Total Assessed Valuation	Total Assessed Valuation	Percent of Total Assessed Valuation
Commercial	\$ 140,814,640	75.94%	\$ 290,330	1.14%
Personal	36,836,210	19.87%	211,400	0.84%
Vacant	2,613,610	1.41%	2,050	0.01%
Industrial	4,908,240	2.65%	-	0.00%
State Assessed	90,600	0.05%	100	0.00%
Residential	111,650	0.06%	24,959,810	98.02%
Agricultural	48,930	0.03%	-	0.00%
	<u>\$ 185,423,880</u>	<u>100.00%</u>	<u>\$ 25,463,690</u>	<u>100.00%</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

SELECTED DEBT RATIOS OF THE DISTRICT

Direct Debt (Consisting of Bonds)	\$ 76,990,000	
Overlapping Debt (1)	13,437,580	
Total Direct Debt and Overlapping Debt	<u>\$ 90,427,580</u>	
2019 District Assessed Valuation	\$ 210,887,570	
Direct Debt to 2019 Assessed Valuation	36.5%	
Direct Debt Plus Overlapping Debt to 2019 Assessed Valuation	42.9%	
2019 District Estimated Statutory "Actual" Value (2)	\$ 864,682,020	
Direct Debt to 2019 Estimated Statutory "Actual" Value	8.9%	
Direct Debt Plus Overlapping Debt to 2019 Estimated Statutory "Actual" Value	10.5%	

- (1) Amount is estimated based on information supplied by other taxing authorities and does not include self-supporting general obligation debt.
- (2) Statutory "actual" value has been calculated using a statutory formula under which assessed valuation is calculated as 7.15% of the statutory "actual" value of residential property and 29% of the statutory "actual" value of all other classes of property (with certain specific exceptions). Statutory "actual" value is not intended to represent market value.

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

ESTIMATED OVERLAPPING GENERAL OBLIGATION DEBT

Name of Overlapping Taxing entity (1)	2019 Assessed Valuation	Outstanding General Obligation Debt	Outstanding General Obligation Debt Chargeable to Properties Within the District (2)	
			Percent	Debt
Douglas County School District RE 1	\$ 7,239,081,296	\$ 455,050,000	2.91%	\$ 13,256,432
Southeast Public Improvement Metro District	2,951,172,429	2,535,000	7.15%	181,148
				<u>\$ 13,437,580</u>

Notes:

- (1) The following entities also overlap the District but have no reported general obligation debt outstanding: Cherry Creek Basin Water Quality Authority, Douglas County, Douglas County Law Enforcement Authority, Douglas County Conservation District, Douglas Public Library District, E470 Public Highway Authority, South Metro Fire Rescue Fire Protection District, Regional Transportation District, Urban Drainage and Flood Control District, and Urban Drainage and Flood Control District – S. Platte.
- (2) The percentage of each entity's outstanding debt chargeable to the District is calculated by comparing the assessed valuation of the portion overlapping the District to the total assessed valuation of the overlapping entity. To the extent the District's assessed valuation changes disproportionately with the assessed valuation of overlapping entities, the percentage of debt for which property owners within the District are responsible will also change.