

**MERIDIAN METROPOLITAN DISTRICT
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**MERIDIAN METROPOLITAN DISTRICT
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INDEPENDENT AUDITOR'S REPORT

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

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 the District as of December 31, 2023, and the respective changes in financial position and, where applicable cash flows thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Fiscal Focus Partners, LLC

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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 opinions on the basic financial statements are not affected by this missing information.

Supplementary 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 identified in the table of contents is presented for the purposes of additional analysis and legal compliance and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Continuing Disclosure Information

The continuing disclosure 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

Arvada, Colorado
September 4, 2024

BASIC FINANCIAL STATEMENTS

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash and Investments	\$ 12,292,307	\$ 629,040	\$ 12,921,347
Cash and Investments - Restricted	17,052,510	-	17,052,510
Receivable from County Treasurer	59,006	-	59,006
Accounts Receivable	11,564	813,568	825,132
Due from Other Governments	7,025	-	7,025
Prepaid Insurance	67,777	67,777	135,554
Property Tax Receivable	10,516,767	-	10,516,767
Capital Assets:			
Capital Assets, Not Being Depreciated	18,776,805	105,774	18,882,579
Capital Assets, Net of Depreciation	11,639,506	36,450,666	48,090,172
Total Assets	<u>70,423,267</u>	<u>38,066,825</u>	<u>108,490,092</u>
DEFERRED OUTFLOWS OF RESOURCES			
Cost of Refunding, Net	499,501	-	499,501
Total Deferred Inflows of Resources	<u>499,501</u>	<u>-</u>	<u>499,501</u>
LIABILITIES			
Accounts Payable	1,500,807	793,383	2,294,190
Retainage Payable	381,541	-	381,541
Due to Other Governments	997	-	997
DCC Security Deposits	-	195,250	195,250
Accrued Interest Payable	233,274	-	233,274
Noncurrent Liabilities:			
Due Within One Year	3,299,000	-	3,299,000
Due in More Than One Year	93,825,407	-	93,825,407
Total Liabilities	<u>99,241,026</u>	<u>988,633</u>	<u>100,229,659</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	10,516,767	-	10,516,767
Total Deferred Inflows of Resources	<u>10,516,767</u>	<u>-</u>	<u>10,516,767</u>
NET POSITION			
Invested in Capital Assets, net of Related Debt	-	36,556,440	36,556,440
Restricted for:			
Emergency Reserve	181,200	-	181,200
Debt Service	1,207,662	-	1,207,662
Unrestricted Net Position	<u>(40,223,887)</u>	<u>521,752</u>	<u>(39,702,135)</u>
Total Net Position	<u>\$ (38,835,025)</u>	<u>\$ 37,078,192</u>	<u>\$ (1,756,833)</u>

See accompanying Notes to Basic Financial Statements.

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

FUNCTIONS/PROGRAMS Primary Government: Governmental Activities:	Program Revenues			Net Revenues (Expenses) and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
General Government	\$ 2,092,852	\$ 258,838	\$ 251,658	\$ (1,545,414)	\$ -	\$ (1,545,414)
Parks and Open Space Maintenance	2,449,646	-	-	(2,449,646)	-	(2,449,646)
Transfer of Public Improvements to Another Government	199,674	-	-	(199,674)	-	(199,674)
Transfer of Capital Assets to the Enterprise Fund	5,417,371	-	-	(5,417,371)	-	(5,417,371)
Interest on Long-Term Debt and Related Costs	2,470,457	-	-	(2,470,457)	-	(2,470,457)
Total Governmental Activities	<u>\$ 12,630,000</u>	<u>\$ 258,838</u>	<u>\$ 251,658</u>	<u>(12,082,562)</u>	<u>-</u>	<u>(12,082,562)</u>
Business-Type Activities: Water/Sewer Facilities	\$ 9,829,431	7,039,552	5,417,371	-	2,627,492	2,627,492
Total Business-Type Activities	<u>\$ 9,829,431</u>	<u>\$ -</u>	<u>\$ 5,417,371</u>	<u>-</u>	<u>2,627,492</u>	<u>2,627,492</u>
GENERAL REVENUES						
Property Taxes				9,548,358	-	9,548,358
Specific Ownership Taxes				912,350	-	912,350
Other Revenue				126,471	26,665	153,136
Net Investment Income				1,207,146	27,378	1,234,524
Transfers				(200,000)	200,000	-
Total General Revenues and Transfers				<u>11,594,325</u>	<u>254,043</u>	<u>11,848,368</u>
CHANGES IN NET POSITION						
Net Position - Beginning of Year				(38,346,788)	34,196,657	(4,150,131)
NET POSITION - END OF YEAR				<u>\$ (38,835,025)</u>	<u>\$ 37,078,192</u>	<u>\$ (1,756,833)</u>

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General Fund	Debt Service Fund	Capital Project Fund	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 1,764,296	\$ -	\$ 10,528,011	\$ 12,292,307
Cash and Investments - Restricted	181,200	1,414,169	15,457,141	17,052,510
Due from Other Districts	6,725	300	-	7,025
Accounts Receivable	11,564	-	-	11,564
Receivable from County Treasurer	31,935	27,071	-	59,006
Property Tax Receivable	5,380,187	5,136,580	-	10,516,767
Prepaid Insurance	67,777	-	-	67,777
Total Assets	<u>\$ 7,443,684</u>	<u>\$ 6,578,120</u>	<u>\$ 25,985,152</u>	<u>\$ 40,006,956</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 236,476	\$ 604	\$ 1,263,727	\$ 1,500,807
Due to Other Districts	997	-	-	997
Retainage Payable	-	-	381,541	381,541
Total Liabilities	237,473	604	1,645,268	1,883,345
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	5,380,187	5,136,580	-	10,516,767
Total Deferred Inflows of Resources	5,380,187	5,136,580	-	10,516,767
FUND BALANCES				
Nonspendable:				
Prepaid Expense	67,777	-	-	67,777
Restricted for:				
Emergency Reserves	181,200	-	-	181,200
Capital Projects	-	-	15,457,141	15,457,141
Debt Service	-	1,440,936	-	1,440,936
Assigned to:				
Subsequent Year's Expenditures	516,631	-	-	516,631
Capital Projects	-	-	8,882,743	8,882,743
Unassigned	1,060,416	-	-	1,060,416
Total Fund Balances	<u>1,826,024</u>	<u>1,440,936</u>	<u>24,339,884</u>	<u>27,606,844</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,443,684</u>	<u>\$ 6,578,120</u>	<u>\$ 25,985,152</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	30,416,311
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds. Cost of Refunding, Net	499,501
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. Accrued Interest Payable Loans Payable Bonds Payable, Net of Discount and Premium	(233,274) (62,026,000) <u>(35,098,407)</u>
Net Position of Governmental Activities	<u>\$ (38,835,025)</u>

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General Fund	Debt Service Fund	Capital Project Fund	Total Governmental Funds
REVENUES				
Property Taxes	\$ 5,157,959	\$ 4,390,399	\$ -	\$ 9,548,358
Specific Ownership Taxes	493,776	418,574	-	912,350
Intergovernmental Revenues	258,838	-	-	258,838
In-Lieu Income	94	315	-	409
Lease Payments	37,041	-	-	37,041
Miscellaneous Income	50	-	-	50
Net Investment Income	17,267	104,004	1,085,875	1,207,146
Reimbursed Expenditures	74,504	-	251,658	326,162
Other Revenue	-	-	51,508	51,508
Total Revenues	<u>6,039,529</u>	<u>4,913,292</u>	<u>1,389,041</u>	<u>12,341,862</u>
EXPENDITURES				
Current:				
Accounting	64,304	-	-	64,304
Auditing	7,675	-	-	7,675
Board Support	10,552	-	-	10,552
Bond Issue Costs	-	-	470,549	470,549
Consulting	7,263	3,000	-	10,263
Contract Services	315,922	-	-	315,922
County Treasurer's Fee	77,253	65,771	-	143,024
Dues and Membership	5,178	-	-	5,178
Electric and Gas	36,257	-	-	36,257
Engineering	-	-	176,592	176,592
Insurance	58,134	-	-	58,134
Irrigation	14,017	-	-	14,017
Legal	52,577	-	-	52,577
Materials	143,157	-	-	143,157
Multimodal	224,014	-	-	224,014
Office Overhead	44,779	-	-	44,779
Operational Labor	1,954,310	-	-	1,954,310
Payroll Taxes	413	-	-	413
Reimbursable Landscape and Maintenance	55,955	-	-	55,955
Support Management	-	-	88,872	88,872
Debt Service:				
Interest	-	2,302,819	-	2,302,819
Principal	-	3,230,000	-	3,230,000
Paying Agent Fees	-	605	-	605
Capital Expenditures	-	-	13,501,099	13,501,099
Total Expenditures	<u>3,071,760</u>	<u>5,602,195</u>	<u>14,237,112</u>	<u>22,911,067</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	2,967,769	(688,903)	(12,848,071)	(10,569,205)
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(2,050,000)	-	1,850,000	(200,000)
Bond Issuance Proceeds	-	-	20,870,000	20,870,000
Bond Discount	-	-	(386,972)	(386,972)
Total Other Financing Sources (Uses)	<u>(2,050,000)</u>	<u>-</u>	<u>22,333,028</u>	<u>20,283,028</u>
NET CHANGE IN FUND BALANCES				
	917,769	(688,903)	9,484,957	9,713,823
Fund Balances - Beginning of Year	<u>908,255</u>	<u>2,129,839</u>	<u>14,854,927</u>	<u>17,893,021</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,826,024</u>	<u>\$ 1,440,936</u>	<u>\$ 24,339,884</u>	<u>\$ 27,606,844</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, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ 9,713,823

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 expense. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Capital Outlay	13,235,899
Depreciation Expense	(454,074)
Transfers of Capital Outlay to Enterprise Fund	(5,417,371)
Transfers of Public Improvements to Other Governments	(199,674)
Asset Disposal	(12,451)

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 Discount	386,972
Bond Issuance Proceeds	(20,870,000)
Bond Principal	235,000
Loan Principal	2,995,000

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the fund financial statements.

Interest Income Related to Leases	(99)
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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 Interest Payable - Change in Liability	(68,571)
Amortization of Bond Discount	(5,357)
Amortization of Cost of Bond Refunding	(55,069)
Amortization of Bond Premium	27,735
	27,735

Changes in Net Position of Governmental Activities	\$ (488,237)
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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, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 5,330,499	\$ 5,157,959	\$ (172,540)
Specific Ownership Taxes	479,745	493,776	14,031
Intergovernmental Revenues	245,059	258,838	13,779
In-Lieu Income	94	94	-
Lease Payments	37,041	37,041	-
Miscellaneous Income	500	50	(450)
Net Investment Income	12,000	17,267	5,267
Reimbursed Expenditures	80,000	74,504	(5,496)
Total Revenues	<u>6,184,938</u>	<u>6,039,529</u>	<u>(145,409)</u>
EXPENDITURES			
Accounting	79,957	64,304	15,653
Auditing	10,700	7,675	3,025
Board Support	15,000	10,552	4,448
Consulting	10,000	7,263	2,737
Contingency	5,757	-	5,757
Contract Services	515,000	315,922	199,078
County Treasurer's Fee	80,630	77,253	3,377
Dues and Membership	24,000	5,178	18,822
Engineering	10,000	-	10,000
Electric and Gas	65,000	36,257	28,743
Insurance	50,000	58,134	(8,134)
Irrigation	30,000	14,017	15,983
Legal	65,000	52,577	12,423
Materials	165,000	143,157	21,843
Multimodal	-	224,014	(224,014)
Office Overhead	49,500	44,779	4,721
Operational Labor	3,150,000	1,954,310	1,195,690
Payroll Taxes	450	413	37
Reimbursable Landscape and Maintenance	58,000	55,955	2,045
Total Expenditures	<u>4,383,994</u>	<u>3,071,760</u>	<u>1,312,234</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,800,944	2,967,769	1,166,825
OTHER FINANCING SOURCES (USES)			
Transfers to Other Funds	(2,100,000)	(2,050,000)	50,000
Total Other Financing Sources (Uses)	<u>(2,100,000)</u>	<u>(2,050,000)</u>	<u>50,000</u>
NET CHANGE IN FUND BALANCE	(299,056)	917,769	1,216,825
Fund Balance - Beginning of Year	<u>706,037</u>	<u>908,255</u>	<u>202,218</u>
FUND BALANCE - END OF YEAR	<u>\$ 406,981</u>	<u>\$ 1,826,024</u>	<u>\$ 1,419,043</u>

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2023**

	Enterprise
ASSETS	
CURRENT ASSETS	
Cash and Investments	\$ 400,767
Cash and Investments - DCC	228,273
Accounts Receivable	813,568
Prepaid Insurance	67,777
Total Current Assets	1,510,385
NONCURRENT ASSETS	
Capital Assets:	
Construction in Progress	105,774
Conduit System	98,040
Re-Use Water System	11,321,130
Sewer System Facilities	9,101,159
Software	379,891
Water System Facilities	16,445,261
Waste Water Treatment Plant	11,152,715
Wells	10,553,035
Less: Accumulated Depreciation	(22,600,565)
Total Capital Assets	36,556,440
Total Assets	\$ 38,066,825
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts Payable	\$ 793,383
DCC Security Deposits	195,250
Total Current Liabilities	988,633
NET POSITION	
Net Investment in Capital Assets	36,556,440
Unrestricted	521,752
Total Net Position	37,078,192
Total Liabilities and Net Position	\$ 38,066,825

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, 2023**

	Enterprise
OPERATING REVENUES	
Service Charges	\$ 6,297,422
Lease Payments	713,430
Total Operating Revenues	7,010,852
OPERATING EXPENSES	
Cost of Services:	
Contract Services	201,628
Electric and Gas	895,729
Materials and Supplies	14,051
Operational Labor	2,380,369
Water Operations	2,989,286
Water Purchase/Lease	408,609
Administration and General Expenses:	
Accounting	64,121
Auditing	7,675
Dues and Membership	5,952
Engineering	177,273
Insurance	58,134
Legal	78,598
Office Overhead	20,133
Support Management	165,048
Capital Expenses	710,813
Depreciation Expense	1,399,202
Total Operating Expenses	9,576,621
OPERATING INCOME (LOSS)	(2,565,769)
NONOPERATING REVENUES AND EXPENSES	
DCC Fees	28,700
Net Investment Income	27,378
Other Income	26,665
DCC Expenditures	(252,810)
Total Nonoperating Revenues and Expenses	(170,067)
OTHER FINANCING SOURCES	
Capital Asset Transfer from the Capital Project Fund	5,417,371
Transfers In	200,000
Total Other Financing Sources	5,617,371
CHANGE IN NET POSITION	2,881,535
Total Net Position - Beginning of Year	34,196,657
TOTAL NET POSITION - END OF YEAR	\$ 37,078,192

See accompanying Notes to Basic Financial Statements.

**MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2023**

	Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 6,702,464
Payments to Suppliers	(8,402,872)
Other Receipts	713,430
Prepaid Expenses	(13,813)
Net Cash Used by Operating Activities	(1,000,791)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other Revenue	45,365
Other Expenses	(252,810)
Transfers In (Out)	200,000
Net Cash Used by Noncapital Financing Activities	(7,445)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	(125,160)
Net Cash Used by Capital and Related Financing Activities	(125,160)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	27,378
Prior Year Interest Received	35
Net Cash Provided by Investing Activities	27,413
DECREASE IN CASH AND CASH EQUIVALENTS	(1,105,983)
Cash and Cash Equivalents - Beginning of Year	1,735,023
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 629,040
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$ (2,565,769)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	1,399,202
(Increase) Decrease in:	
Accounts Receivable	405,042
Prepaid Expense	(13,813)
Increase (Decrease) in:	
Accounts Payable	(15,756)
Retainage Payable	(209,697)
Net Cash Used by Operating Activities	\$ (1,000,791)

See accompanying Notes to Basic Financial Statements.

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

NOTE 1 DEFINITION OF REPORTING ENTITY

Meridian Metropolitan District (the Original District) is a quasi-municipal corporation and political sub-division 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 Original District's service area is located in Douglas County, Colorado. The Original 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.

On May 11, 2021, the Original District and North Meridian Metropolitan District (North Meridian) adopted a joint resolution to consolidate and operate as Meridian Metropolitan District (the District). The public health, safety, prosperity, and general welfare of the inhabitants of both the Original District and North Meridian will be better served by the District. The District, a quasi-municipal corporation and Political Subdivision of the State of Colorado, was organized by order and decree of the District Court for Douglas County on December 30, 2021. The Original District and North Meridian continued to exist as separate entities until December 31, 2021.

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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of 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.

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. 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, 2023**

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 services 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.

Leases

The District determines if an arrangement is a lease at inception. Leases are included as right-to-use assets in capital assets and as leases payable in noncurrent liabilities in the Statement of Net Position.

Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option.

The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position. For individual lease contracts where information about the discount rate implicit in the lease is not included, the District has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall 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, 2023.

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.

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 inflows 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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Amortization

Cost of Refunding

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

Original Issue Discount/Premium

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, *deferred property tax revenue*, are deferred and recognized as inflows 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.

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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 12,921,347
Cash and Investments - Restricted	17,052,510
Total Cash and Investments	\$ 29,973,857

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

Deposits with Financial Institutions	\$ 1,873,244
Investments	28,100,613
Total Cash and Investments	\$ 29,973,857

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 102.00% 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.

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

PNC Bank Premium Business Money Market Account

The Loan Payment Fund monies that are included in the trust accounts at PNC Bank are invested in the Premium Business Money Market Account. This account is not actually a Money Market Mutual Fund, but a standard bank depository savings account held by PNC Bank, which is an eligible public depository in Colorado, so the account is held subject to the requirements of the PDPA.

At December 31, 2023, the District's cash deposits had a bank statement balance of \$1,897,240 and a carrying balance of \$1,873,244.

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.

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

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

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

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 28,100,613

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

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

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

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

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 PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAs/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

The District holds all its investments in the COLOTRUST PLUS+ portfolio.

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

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2023, follows:

	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 842,552	\$ -	\$ -	\$ 842,552
Landscaping/Parks	3,191,655	308,703	-	3,500,358
Construction in Progress:				
Parks and Recreation	279,829	717,571	997,400	-
Street Intersection	1,496,065	38,328	1,534,393	-
Wastewater Treatment Plant	5,141,949	1,176,987	5,417,371	901,565
Water Systems Facilities	2,225,048	11,307,282	-	13,532,330
Total Capital Assets, Not Being Depreciated	13,177,098	13,548,871	7,949,164	18,776,805
Capital Assets, Being Depreciated:				
Building/Equipment	1,999,418	-	20,258	1,979,160
Parks and Recreation	3,915,596	623,881	-	4,539,477
Signs	4,221,253	64,816	701	4,285,368
Street Lights	2,737,197	-	-	2,737,197
Conduit System	1,583,106	-	-	1,583,106
Storm Water System	877,915	-	-	877,915
Traffic Signals	-	1,330,450	-	1,330,450
Total Capital Assets, Being Depreciated	15,334,485	2,019,147	20,959	17,332,673
Less Accumulated Depreciation for:				
Building/Equipment	573,674	39,361	8,508	604,527
Parks and Recreation	1,317,867	141,115	-	1,458,982
Signs	820,819	135,545	-	956,364
Street Lights	910,847	76,469	-	987,316
Conduit System	1,462,801	17,417	-	1,480,218
Storm Water System	161,593	17,558	-	179,151
Traffic Signals	-	26,609	-	26,609
Total Accumulated Depreciation	5,247,601	454,074	8,508	5,693,167
Total Capital Assets, Being Depreciated, Net	10,086,884	1,565,073	12,451	11,639,506
Governmental Activities Capital Assets, Net	\$ 23,263,982	\$ 15,113,944	\$ 7,961,615	\$ 30,416,311

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

NOTE 4 CAPITAL ASSETS (CONTINUED)

	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress:				
Water System Facilities	\$ 5,289,311	\$ 19,386	\$ 5,308,697	\$ -
Conduit System	-	105,774	-	105,774
Total Capital Assets, Not Being Depreciated	5,289,311	125,160	5,308,697	105,774
Capital Assets, Being Depreciated:				
Conduit System	98,040	-	-	98,040
Re-Use Water System	5,903,759	5,417,371	-	11,321,130
Sewer System Facilities	9,101,159	-	-	9,101,159
Software	379,891	-	-	379,891
Water System Facilities	11,136,564	5,308,697	-	16,445,261
Waste Water Treatment Plant	11,152,715	-	-	11,152,715
Wells	10,553,035	-	-	10,553,035
Total Capital Assets, Being Depreciated	48,325,163	10,726,068	-	59,051,231
Less Accumulated Depreciation for:				
Conduit System	12,255	4,902	-	17,157
Re-Use Water System	986,832	215,311	-	1,202,143
Sewer System Facilities	7,514,675	226,775	-	7,741,450
Software	68,275	9,497	-	77,772
Water System Facilities	7,102,705	400,072	-	7,502,777
Waste Water Treatment Plant	2,887,264	278,818	-	3,166,082
Wells	2,629,357	263,826	-	2,893,183
Total Accumulated Depreciation	21,201,363	1,399,202	-	22,600,565
Total Capital Assets, Being Depreciated, Net	27,123,800	9,326,866	-	36,450,666
Business-Type Activities Capital Assets, Net	\$ 32,413,111	\$ 9,452,026	\$ 5,308,697	\$ 36,556,440

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 \$33,746,171.

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

NOTE 4 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:

General Government	\$ 454,074
Total Depreciation Expense - Governmental Activities	\$ 454,074

Business-Type Activities:

Conduit/Water/Sewer Facilities	\$ 1,399,202
Total Depreciation Expense - Business-Type Activities	\$ 1,399,202

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2023:

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Governmental Activities					
General Obligation Bonds Payable:					
Series 2023 Bonds	\$ -	\$ 20,870,000	\$ -	\$ 20,870,000	\$ -
Series 2017 Bonds	14,395,000	-	235,000	14,160,000	240,000
Notes from Direct Borrowings and Placements:					
Series 2020A Refunding Loan	50,618,000	-	2,333,000	48,285,000	2,380,000
Series 2020B Refunding Loan	8,745,000	-	402,000	8,343,000	413,000
Series 2020C Improvement Loan	5,658,000	-	260,000	5,398,000	266,000
Total Bonds/Loan Payable	79,416,000	20,870,000	3,230,000	97,056,000	\$ 3,299,000
Bond Premium/Discount:					
Bond Discount - Series 2023	-	(386,972)	(5,357)	(381,615)	
Bond Premium - Series 2017	477,757	-	27,735	450,022	
Subtotal Bond Premium / Discount	477,757	(386,972)	22,378	68,407	
Total Long-Term Obligations	\$ 79,893,757	\$ 20,483,028	\$ 3,252,378	\$ 97,124,407	

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

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.

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds – Series 2017 (Continued)

The Series 2017 bonds are insured by Assured Guaranty Municipal Corp. (AGM). At December 31, 2023, AGM was rated AA by Standard & Poor's and A1 by Moody's. The Series 2017 Bonds are not subject to acceleration and early termination. The Bonds do not have any unused lines of credit, and are not collateralized. Pursuant to the Bond Resolution, no events of default are described.

General Obligation Taxable (Convertible to Tax-Exempt) Refunding Loan (Series 2020A) (the 2020A Note), **General Obligation Taxable (Convertible to Tax-Exempt) Refunding Loan (Series 2020B)** (the 2020B Note and with the 2020A Note, the Refunding Notes) and **General Obligation Improvement Loan (Series 2020C)** (the 2020C Note, and together with the Refunding Notes, the 2020 Notes)

2020 Notes

The District entered into a Loan Agreement on March 24, 2020, with BBVA Mortgage Corporation (the Lender) which is evidenced by promissory notes the District issued in the amounts of \$54,616,000 for the 2020A Note, \$9,434,000 for the 2020B Note and \$6,013,000 for the 2020C Note.

Proceeds from the issuance of the Refunding Notes were used to: 1) advance refund the District's outstanding General Obligation Refunding Bonds, Series 2011A, that mature after December 1, 2021; 2) advance refund the District's outstanding General Obligation Refunding Bonds, Series 2011B, that mature after December 1, 2021; and 3) pay costs of issuance of the Refunding Notes. Proceeds from the issuance of the 2020C Note were used to: 1) pay for costs of certain improvements within the District; and 2) to pay costs of issuance of the 2020C Note.

Interest payments on the 2020 Notes are due on June 1 and December 1 (each an Interest Payment Date) of each year, beginning June 1, 2020, through and including the Maturity Date of December 1, 2040. Interest is calculated on the basis of a 360-day year and twelve 30-day months. Interest not paid when due shall remain due and owing, but shall not compound or bear additional interest. Principal on the 2020 Notes is due on December 1 of each year, beginning December 1, 2020, for the Refunding Notes and beginning December 1, 2021, for the 2020C Note.

On September 2, 2021, the 2020A Note converted to the 2020A Tax-Exempt Rate. Prior to the 2020A Conversion Date, the 2020A Note bore interest at 2.74% (the 2020A Taxable Rate). Upon the Lender's receipt of a Conversion Opinion from Bond Counsel, beginning on the 2020A Conversion Date through and including the Maturity Date, the 2020A Note bears interest at 2.16% (the 2020A Tax-Exempt Rate).

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2020 Notes (Continued)

On September 2, 2021, the 2020B Note converted to the 2020B Tax-Exempt Rate. Prior to the 2020B Conversion Date, the 2020B Note bore interest at 2.74% (the 2020B Taxable Rate). Upon the Lender's receipt of a Conversion Opinion from Bond Counsel, beginning on the 2020B Conversion Date through and including the Maturity Date, the 2020B Note bears interest at 2.16% (the 2020B Tax-Exempt Rate).

The 2020C Note bears interest at 2.16%. Upon any Determination of Taxability, the 2020C Note will bear interest at 2.74%.

The 2020 Notes do not have any unused lines of credit, and are collateralized by Pledged Revenue and all amounts from time to time credited to each Loan Payment Account.

Prepayment

The District may, at its option, prepay the 2020 Notes on any Interest Payment Date, as follows. If any of the 2020 Notes are prepaid prior to June 1, 2026, the prepayment price equals the principal amount of the 2020 Notes prepaid plus accrued interest to the date of prepayment together with the following prepayment penalty:

- (i) any applicable Yield Maintenance Fee, defined below, that may apply; and
- (ii) the following applicable prepayment premium (expressed as a percentage of par):
 - a. through and including December 1, 2023, 3.00%;
 - b. June 1, 2024 and December 1, 2024, 2.00%
 - c. June 1, 2025 and December 1, 2025, 1.00%
 - d. June 1, 2026 and after, 0.00%.

If any of the 2020 Notes are prepaid on or after June 1, 2026, but prior to June 1, 2030, the prepayment price equals the principal amount of such 2020 Notes prepaid, plus accrued interest to the date of prepayment, together with any premium, which premium shall be limited to any applicable Yield Maintenance Fee that may apply. If any of the 2020 Notes are prepaid on or after June 1, 2030, the prepayment price equals the principal amount of such 2020 Notes prepaid, plus accrued interest to the date of prepayment, without premium or any prepayment penalty.

The Yield Maintenance Fee is the Annual Yield Differential multiplied by the Percent Being Prepaid, multiplied by the Average Remaining Outstanding Principal Amount, multiplied by the number of days from the Prepayment Date through the Maturity Date, divided by 360. The Annual Yield Differential is the difference (but not less than zero) between (i) the U.S. Treasury constant maturity yield for the Closing Date, for a maturity that is the same as the Maturity Date as of the Closing Date, and (ii) the U.S. Treasury constant maturity yield for the Prepayment Date for a maturity that is the same as the remaining term of the Loan at the Prepayment Date. Percent Being Prepaid means the amount determined by dividing the principal amount of the Loan being prepaid by the unpaid principal balance of the Loan as of the Prepayment Date. Average Remaining Outstanding Principal Amount is the simple average of (i) the outstanding principal balance of the Loan being prepaid plus any accrued and unpaid fees as of the Prepayment Date, and (ii) the schedule principal amount of such Loan as of the Maturity Date.

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Pledged Revenue

Pledged Revenue means the moneys derived by the District from the following sources, net of any costs of collection: (a) the Required Mill Levy; and (b) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Lender for deposit into the applicable Loan Payment Account.

Required Mill Levy

Property was excluded from the District in 1999 (the 1999 Excluded Property), from 2003 to 2006 (the 2003-2006 Excluded Property) and in 2012 (the 2012 Excluded Property, and collectively the Excluded Property). The District is required to impose a Required Mill Levy without limitation as to rate on all taxable property of:

- (A) the District (and the Excluded Property) each year in an amount which will generate tax revenues of not less than the Estimated Debt Requirements for the 2020A Note for the next fiscal year.
- (B) the District (which shall not include the 1999 Excluded Property) each year in an amount which will generate tax revenues of not less than the Estimated Debt Requirements for the 2020B Note for the next fiscal year.
- (C) the District each year in an amount which will generate tax revenues of not less than the Estimated Debt Requirements for the 2020C Note for the next fiscal year.
- (D) The District each year in an amount which will not generate tax revenues in excess of the maximum tax increase permitted by the District's electoral authorization.

Events of Default

The District's outstanding 2020 Notes stipulate events of default occur if the District does not impose the Required Mill Levy, does not make payments of principal and interest when due, and other customary terms and conditions consistent with normal municipal financings. Upon the occurrence of an Event of Default, the Lender may apply all Pledged Revenue to the unpaid principal of the 2020 Notes and all interest accrued and unpaid. The 2020 Notes are not subject to early termination and acceleration.

General Obligation Bonds, Series 2023 (the Series 2023 Bonds)

The District issued the Series 2023 Bonds on July 20, 2023, in the amount of \$20,870,000.

Proceeds of the Bonds

Proceeds from the sale of the Series 2023 Bonds were used to: (i) pay the costs of acquiring, constructing, installing and completing capital improvements of the District; and (ii) pay the costs of issuing the Series 2023 Bonds.

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds, Series 2023 (Continued)

Bonds Details

The Series 2023 Bonds were issued as three term bonds bearing interest at rates ranging from 4.000% to 4.375%, payable semi-annually on June 1 and December 1, beginning on December 1, 2023. Principal payments on the Series 2023 Bonds are due annually on each December 1, beginning on December 1, 2043. The Series 2023 Bonds mature on December 1, 2053.

All of the taxable property in the District is subject to the levy of an ad valorem tax to pay the principal of and interest on the Series 2023 Bonds without limitation as to rate in an amount sufficient to pay the Series 2023 Bonds when due.

The Series 2023 Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Bonds. The Bonds are secured by the District's obligation to certify a sufficient rate to meet the debt service requirements of the Bond. The Bond Resolution does not provide for any events of default.

Insurance

The scheduled payment of principal of and interest on the Series 2023 Bonds when due are guaranteed under an insurance policy issued concurrently with the delivery of the Series 2023 Bonds by Assured Guaranty Municipal Corp.

Optional Redemption

The Series 2023 Bonds maturing on or before December 1, 2033, are not subject to redemption prior to maturity at the option of the District. The Series 2023 Bonds maturing on or after December 1, 2034, are subject to redemption prior to maturity, at the option of the District beginning on December 1, 2033, or on any date thereafter, at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date without a redemption premium.

Mandatory Redemption

The term Series 2023 Bonds maturing on December 1, 2043, December 1, 2048, and December 1, 2053, are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest to the redemption date.

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

Year Ending December 31,	Bonded Debt		Notes from Direct Borrowings and Direct Placements		Total
	Principal	Interest	Principal	Interest	
2024	\$ 240,000	\$ 1,459,525	\$ 3,059,000	\$ 1,339,762	\$ 6,098,287
2025	250,000	1,449,925	3,123,000	1,273,687	6,096,612
2026	260,000	1,439,925	3,195,000	1,206,230	6,101,155
2027	270,000	1,429,525	3,262,000	1,137,218	6,098,743
2028	280,000	1,418,725	3,332,000	1,066,759	6,097,484
2029-2033	1,590,000	6,915,425	17,769,000	4,222,780	30,497,205
2034-2038	1,935,000	6,570,825	19,770,000	2,219,271	30,495,096
2039-2043	6,400,000	5,919,675	8,516,000	276,868	21,112,543
2044-2048	10,705,000	4,159,313	-	-	14,864,313
2048-2053	13,100,000	1,768,594	-	-	14,868,594
Total	<u>\$ 35,030,000</u>	<u>\$ 32,531,456</u>	<u>\$ 62,026,000</u>	<u>\$ 12,742,575</u>	<u>\$ 142,330,031</u>

Authorized Debt

On November 2, 2021, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount of \$512,000,000 for the financing of new improvements, \$500,000,000 for the purpose of debt refunding and \$300,000,000 for the purposes of revenue and special assessment.

At December 31, 2023, the District had authorized but unissued indebtedness remaining in the amounts of \$491,130,000 for the financing of new improvements, \$500,000,000 for the purposes of debt refunding and \$300,000,000 for revenue and special assessment.

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.

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

NOTE 6 NET POSITION (CONTINUED)

As of December 31, 2023, the District had net investment in capital assets calculated as follows:

	Governmental Activities	Business- Type Activities
Net Investment in Capital Assets:		
Capital Assets, Net	\$ -	\$ 36,556,440
Net Investment in Capital Assets	\$ -	\$ 36,556,440

Restricted assets include net position that is restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

The District had restricted net position as of December 31, 2023, as follows:

	Governmental Activities	Business- Type Activities
Restricted Net Position:		
Emergencies	\$ 181,200	\$ -
Debt Service Reserve	1,207,662	-
Total Restricted Net Position	\$ 1,388,862	\$ -

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.

NOTE 7 RELATED-PARTY TRANSACTIONS

The Developer of the property within the District is Shea Colorado, LLC and its affiliates (Shea, or Developer). One 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.

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

NOTE 7 RELATED-PARTY TRANSACTIONS (CONTINUED)

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 2023, the District paid \$9,380,270 (including payments of \$217,210 for materials passed through to the District and \$3,583,806 for pass through items to subcontractors) to the Developer. At December 31, 2023, \$800,539 in related party amounts are included in accounts payable. The District received payments from the Developer of approximately \$66,081 for the office building lease and utilities.

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 (South Meridian). The Developer of South Meridian 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 South Meridian property without using or impairing the water rights presently owned by the District. The South Meridian 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 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 Meridian Village 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 Meridian Village No. 2 properties without using or impairing the water rights presently owned by the District. Meridian Village No. 1 and Meridian Village No. 2 will construct the needed lines and, upon completion, will convey them to the District for maintenance and operations.

Covenant Obligations

Effective January 1, 2023, the District entered into an agreement regarding covenant obligations and support services with Shea Colorado, LLC (Shea), Meridian-MB Investments, LLC (Meridian-MB), MB Land LLC (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, Shea, Meridian-MB, MB 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. The Design Control Committees will continue to bear responsibility for and exercise all the powers granted and/or assigned to them in the protective covenants.

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

NOTE 8 AGREEMENTS (CONTINUED)

Covenant Obligations (Continued)

To the extent that the service charges are not sufficient to cover the full cost of the operations, the District will fund the Design Control Committees. The agreement terminates on December 31, 2032.

For each calendar year following 2023, the management fee shall be increased by the increase, if any, in the Denver-Boulder CPI for the prior year. The fees invoiced by Shea for 2023 were \$197,484. At December 31, 2023, the District had \$228,273 in cash and investments related to the DCC covenant obligations comprised of payables and security deposits being held by the District.

Intergovernmental Agreement Between the Meridian Metropolitan District and the Board of County Commissioners of the County of Douglas Regarding Financial Contribution for The Havana Street & Meridian Boulevard Intersection Improvement Project

On April 12th, 2022, the District and the Board of County Commissioners of Douglas County (the County) entered into the Intergovernmental Agreement (the IGA) to cooperate in the design and construction of the Havana Street & Meridian Boulevard Intersection Improvement Project (the Project). Pursuant to the IGA, the District agrees to contribute up to \$200,000 for Construction Tasks and up to \$290,000 for In-Kind Contributions. During 2022, the District contributed \$489,367 (\$200,000 for Construction Tasks and \$289,367 for In-Kind Contributions) to the County for construction of the Project. In accordance with the IGA, if there are any unused funds from the In-Kind Contributions at the time of project completion, the County will reimburse the District for the remaining balance.

Interchange Agreement

On January 1, 2020, the District entered into an Agreement with Denver South Transportation Management Association (the TMA) to provide landscaping and related improvements for certain territory adjacent to or near the interchange of Interstate 25 and Lincoln Avenue located in the City of Lone Tree and in unincorporated Douglas County, Colorado (the Interchange). Pursuant to the Agreement, the District shall perform on an annual basis certain operations and maintenance responsibilities (the Base Services). In addition to the Base Services, the District shall consider and make recommendations to the TMA concerning additions, repairs, replacements and removal of the Improvements' landscaping and hardscaping materials and installations (the Added Services). The TMA agrees to fund the District for the annual costs of operation and maintenance of the Improvements. In 2023, the District received, from TMA, \$48,049 for Base Services and \$7,906 for Added Services. The Agreement was extended through 2023 and may continue to be exercised in future years.

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

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 2023, the District paid \$17,778 to SMWSA.

South Metro WISE Authority

On July 10, 2013, the District along with other political subdivisions entered into the South Metro WISE (Water, Infrastructure, and Supply Efficiency) Authority Formation and Organizational Intergovernmental Agreement to form the South Metro WISE Authority (WISE Partnership). This Agreement commits the District to participate in the WISE Partnership. The Agreement also defines how costs will be shared between participating members. The District 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. Effective January 1, 2020, the District entered into a Second Amendment which increased the commitment to 775-acre feet (AF) out of a total of 10,000 AF (7.75%). During 2023, the District paid WISE \$96,875 for administrative costs.

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. The WISE Partnership entered into multiple engineering design and construction contracts which were required to transport water in order to begin taking deliveries of water. The District paid \$3,240,493 in capital costs related to these contracts.

Additionally, there are 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 are billed based upon water delivered. For the year ended December 31, 2023, water capacity expense totaled \$0. The District is responsible for paying its share of 7.75% of the WISE Operations based on the District's infrastructure capacity. The District's portion of operational costs for 2023 are \$100,004.

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.

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

NOTE 10 RISK MANAGEMENT (CONTINUED)

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

NOTE 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 \$408,610 for the year ended December 31, 2023.

Construction Commitments

As of December 31, 2023, the District had unexpended construction related contract commitments of \$22,855,112.

NOTE 12 REGIONAL FACILITIES AGREEMENTS

The District has entered into separate Regional Facilities Agreements (RFA), dated January 1, 1999, with South Meridian. The purpose of each RFA is to set forth the rights and obligations of 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 South Meridian, and to manage construction of improvements and handle the books and records of the district. South Meridian is obligated to fund the improvements through limited tax obligation debt or other revenues that are legally available. At December 31, 2023, South Meridian owed the District \$7,025.

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.

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

NOTE 13 TAX, SPENDING, AND DEBT LIMITATION (CONTINUED)

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.

On November 2, 2021, 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 2021 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 3.00% 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 of \$1,850,000 from the General Fund to the Capital Projects Fund was to support budgeted capital operations.

The transfer of \$200,000 from the General Fund to the Enterprise Fund was to support DCC operations.

SUPPLEMENTARY INFORMATION

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

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Property Taxes	\$ 4,518,032	\$ 4,518,032	\$ 4,390,399	\$ (127,633)
Specific Ownership Taxes	406,623	406,623	418,574	11,951
In-Lieu Income	315	315	315	-
Net Investment Income	40,000	40,000	104,004	64,004
Total Revenues	<u>4,964,970</u>	<u>4,964,970</u>	<u>4,913,292</u>	<u>(51,678)</u>
EXPENDITURES				
Bond Interest	571,975	898,365	898,365	-
Bond principal	235,000	235,000	235,000	-
Consulting	-	-	3,000	(3,000)
Contingency	10,000	20,000	-	20,000
County Treasurer'S Fee	67,770	67,770	65,771	1,999
Loan Interest	1,404,454	1,404,454	1,404,454	-
Loan Principal	2,995,000	2,995,000	2,995,000	-
Paying Agent Fees	-	-	605	(605)
Total Expenditures	<u>5,284,199</u>	<u>5,620,589</u>	<u>5,602,195</u>	<u>18,394</u>
NET CHANGE IN FUND BALANCE	(319,229)	(655,619)	(688,903)	(33,284)
Fund Balance - Beginning of Year	<u>2,109,865</u>	<u>2,129,839</u>	<u>2,129,839</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,790,636</u>	<u>\$ 1,474,220</u>	<u>\$ 1,440,936</u>	<u>\$ (33,284)</u>

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

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
System Development Fees	\$ 2,710,000	\$ 2,710,000	\$ -	\$ (2,710,000)
Reimbursed Expenditures	-	-	251,658	251,658
Net Investment Income	130,000	130,000	1,085,875	955,875
Other Revenue	-	-	51,508	51,508
Total Revenues	<u>2,840,000</u>	<u>2,840,000</u>	<u>1,389,041</u>	<u>(1,450,959)</u>
EXPENDITURES				
Bond Issue Costs	-	869,771	470,549	399,222
Contingency	99,154	99,154	-	99,154
Engineering	100,000	100,000	176,592	(76,592)
Support Management	88,876	88,876	88,872	4
Capital Outlay				
Streets/Sidewalks/Transportation:				
District Road Replacement And Rehab	-	-	1,880	(1,880)
Intersection Reconfiguration	-	-	7,867	(7,867)
Sidewalks	50,000	50,000	-	50,000
Street Lights	500,000	500,000	63,961	436,039
Traffic Signals	-	-	76,114	(76,114)
Park:				
Landscaping And Walls	250,000	250,000	360,656	(110,656)
Multimodal	250,000	250,000	-	250,000
Park Improvements	-	-	422,242	(422,242)
Trail Expansion	150,000	150,000	5,053	144,947
Water/Wastewater Facilities:				
Lake Wall	600,000	600,000	888,963	(288,963)
Lift Station A Rebuild/Rehab	1,000,000	1,000,000	288,024	711,976
Meridian Water Campus	9,000,000	9,000,000	11,307,282	(2,307,282)
Painting/Coating Water/Sewage Facilities	50,000	50,000	8,490	41,510
Regional Wastewater/Wwtp Upgrade	1,000,000	1,000,000	35,692	964,308
WISE Projects:				
WISE Infrastructure	500,000	500,000	34,875	465,125
Total Expenditures	<u>13,638,030</u>	<u>14,507,801</u>	<u>14,237,112</u>	<u>270,689</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(10,798,030)	(11,667,801)	(12,848,071)	(1,180,270)
OTHER FINANCING SOURCES (USES)				
Transfers From Other Funds	1,850,000	1,850,000	1,850,000	-
Bond Issuance Proceeds	-	20,870,000	20,870,000	-
Bond Discount	-	-	(386,972)	(386,972)
Total Other Financing Sources (Uses)	<u>1,850,000</u>	<u>22,720,000</u>	<u>22,333,028</u>	<u>(386,972)</u>
NET CHANGE IN FUND BALANCE	(8,948,030)	11,052,199	9,484,957	(1,567,242)
Fund Balance - Beginning of Year	12,417,601	14,854,927	14,854,927	-
FUND BALANCE - END OF YEAR	<u>\$ 3,469,571</u>	<u>\$ 25,907,126</u>	<u>\$ 24,339,884</u>	<u>\$ (1,567,242)</u>

**MERIDIAN METROPOLITAN DISTRICT
 PROPRIETARY FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Water Sales - Irrigation	\$ 1,500,000	\$ 969,547	\$ (530,453)
Water Sales - Potable	3,600,000	2,796,078	(803,922)
Sewer Sales	2,900,000	2,531,797	(368,203)
Tap Fees	3,824,000	-	(3,824,000)
Lease Payments	12,347	12,136	(211)
Conduit Lease	566,061	701,294	135,233
Reimbursed Expenditures	1,500	1,368	(132)
Net Investment Income	40,700	27,378	(13,322)
DCC Fees	20,000	28,700	8,700
Other Revenue	-	24,385	24,385
Miscellaneous Income	-	912	912
Total Revenues	12,464,608	7,093,595	(5,371,013)
EXPENDITURES			
Cost of Services:			
Contract Services	2,485,000	201,628	2,283,372
Electric & Gas	1,000,000	895,729	104,271
Materials	835,000	14,051	820,949
Operational Labor	1,350,000	2,380,369	(1,030,369)
Water Operations	-	2,989,286	(2,989,286)
Water Purchase/Lease	400,000	408,609	(8,609)
Administration and General Expenses:			
DCC Expenditures	237,489	252,810	(15,321)
Accounting	75,463	64,121	11,342
Auditing	10,700	7,675	3,025
Conduit Maintenance	100,000	-	100,000
Dues And Membership	13,350	5,952	7,398
Engineering	500,000	177,273	322,727
Insurance	50,000	58,134	(8,134)
Legal	110,000	78,598	31,402
Office Overhead	91,000	20,133	70,867
Support Management	165,055	165,048	7
Capital Expenditures/Outlay:			
Capital Outlay	1,650,000	621,317	1,028,683
Water, Infrastructure, And Supply Efficiency	885,000	214,656	670,344
Total Expenditures	9,958,057	8,555,389	1,402,668
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,506,551	(1,461,794)	(3,968,345)
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	250,000	200,000	(50,000)
Total Other Financing Sources (Uses)	250,000	200,000	(50,000)
NET CHANGE IN FUND BALANCE	2,756,551	(1,261,794)	(18,598)
Fund Balance - Beginning of Year	2,371,165	1,783,546	(587,619)
FUND BALANCE - END OF YEAR	\$ 5,127,716	\$ 521,752	\$ (4,605,964)

**MERIDIAN METROPOLITAN DISTRICT
 PROPRIETARY FUND
 RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2023**

	Actual
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES) (BUDGETARY BASIS)	\$ (1,261,794)
Addback	
Capital Outlay	125,160
Capital Asset Transfer from Capital Project Fund	5,417,371
Deduct:	
Depreciation	(1,399,202)
CHANGE IN NET POSITION	2,881,535
Total Net Position - Beginning of Year	34,196,657
TOTAL NET POSITION - END OF YEAR	<u>\$ 37,078,192</u>

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

Bonds/Loans and Interest Maturing in the Year Ending December 31,	\$14,720,000 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			\$54,616,000 General Obligation Tax-Exempt Refunding Loan Interest Rate - 2.16% Series 2020A Dated March 24, 2020 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total	Principal	Interest	Total
	\$	\$	\$	\$	\$	\$
2024	240,000	562,575	802,575	2,380,000	1,042,956	3,422,956
2025	250,000	552,975	802,975	2,431,000	991,548	3,422,548
2026	260,000	542,975	802,975	2,487,000	939,038	3,426,038
2027	270,000	532,575	802,575	2,537,000	885,319	3,422,319
2028	280,000	521,775	801,775	2,592,000	830,520	3,422,520
2029	295,000	510,575	805,575	2,649,000	774,533	3,423,533
2030	305,000	498,775	803,775	2,708,000	717,315	3,425,315
2031	315,000	486,575	801,575	2,767,000	658,822	3,425,822
2032	330,000	473,975	803,975	2,824,000	599,054	3,423,054
2033	345,000	460,775	805,775	2,887,000	538,056	3,425,056
2034	355,000	446,975	801,975	2,946,000	475,697	3,421,697
2035	375,000	432,775	807,775	3,010,000	412,063	3,422,063
2036	385,000	417,775	802,775	3,078,000	347,047	3,425,047
2037	405,000	402,375	807,375	3,145,000	280,562	3,425,562
2038	415,000	386,175	801,175	3,212,000	212,631	3,424,631
2039	440,000	365,425	805,425	3,282,000	143,251	3,425,251
2040	460,000	343,425	803,425	3,350,000	72,360	3,422,360
2041	480,000	320,425	800,425	-	-	-
2042	1,200,000	296,425	1,496,425	-	-	-
2043	1,260,000	236,425	1,496,425	-	-	-
2044	1,305,000	192,325	1,497,325	-	-	-
2045	1,350,000	146,650	1,496,650	-	-	-
2046	1,395,000	99,400	1,494,400	-	-	-
2047	1,445,000	50,575	1,495,575	-	-	-
2048	-	-	-	-	-	-
2049	-	-	-	-	-	-
2050	-	-	-	-	-	-
2051	-	-	-	-	-	-
2052	-	-	-	-	-	-
2053	-	-	-	-	-	-
Total	<u>\$ 14,160,000</u>	<u>\$ 9,280,700</u>	<u>\$ 24,247,675</u>	<u>\$ 48,285,000</u>	<u>\$ 9,920,772</u>	<u>\$ 58,205,772</u>

**MERIDIAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2023**

Bonds/Loans and Interest Maturing in the Year Ending December 31,	\$9,434,000 General Obligation Tax-Exempt Refunding Loan Interest Rate - 2.16% Series 2020B Dated March 24, 2020 Interest Payable June 1 and December 1 Principal Payable December 1			\$6,013,000 General Obligation Improvement Loan Interest Rate - 2.16% Series 2020C Dated March 24, 2020 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total	Principal	Interest	Total
	2024	\$ 413,000	\$ 180,209	\$ 593,209	\$ 266,000	\$ 116,597
2025	420,000	171,288	591,288	272,000	110,851	382,851
2026	430,000	162,216	592,216	278,000	104,976	382,976
2027	441,000	152,928	593,928	284,000	98,971	382,971
2028	450,000	143,402	593,402	290,000	92,837	382,837
2029	458,000	133,683	591,683	296,000	86,573	382,573
2030	466,000	123,790	589,790	302,000	80,179	382,179
2031	478,000	113,724	591,724	309,000	73,656	382,656
2032	488,000	103,399	591,399	316,000	66,982	382,982
2033	498,000	92,858	590,858	323,000	60,156	383,156
2034	511,000	82,102	593,102	329,000	53,179	382,179
2035	519,000	71,064	590,064	337,000	46,073	383,073
2036	531,000	59,854	590,854	344,000	38,794	382,794
2037	542,000	48,384	590,384	351,000	31,363	382,363
2038	556,000	36,677	592,677	359,000	23,782	382,782
2039	565,000	24,667	589,667	367,000	16,027	383,027
2040	577,000	12,463	589,463	375,000	8,100	383,100
2041	-	-	-	-	-	-
2042	-	-	-	-	-	-
2043	-	-	-	-	-	-
2044	-	-	-	-	-	-
2045	-	-	-	-	-	-
2046	-	-	-	-	-	-
2047	-	-	-	-	-	-
2048	-	-	-	-	-	-
2049	-	-	-	-	-	-
2050	-	-	-	-	-	-
2051	-	-	-	-	-	-
2052	-	-	-	-	-	-
2053	-	-	-	-	-	-
Total	<u>\$ 8,343,000</u>	<u>\$ 1,712,708</u>	<u>\$ 10,055,708</u>	<u>\$ 5,398,000</u>	<u>\$ 1,109,095</u>	<u>\$ 6,507,095</u>

**MERIDIAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2023**

Bonds/Loans and Interest Maturing in the Year Ending December 31,	\$20,870,000 General Obligation Bonds Interest Rate - 4.00% to 4.375% Series 2023 Dated July 20th, 2023 Interest Payable June 1 and December 1 Principal Payable December 1					
	Principal Payable December 1			Total		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ -	\$ 896,950	\$ 896,950	\$ 3,299,000	\$ 2,799,287	\$ 6,098,287
2025	-	896,950	896,950	3,373,000	2,723,612	6,096,612
2026	-	896,950	896,950	3,455,000	2,646,155	6,101,155
2027	-	896,950	896,950	3,532,000	2,566,743	6,098,743
2028	-	896,950	896,950	3,612,000	2,485,484	6,097,484
2029	-	896,950	896,950	3,698,000	2,402,314	6,100,314
2030	-	896,950	896,950	3,781,000	2,317,009	6,098,009
2031	-	896,950	896,950	3,869,000	2,229,727	6,098,727
2032	-	896,950	896,950	3,958,000	2,140,360	6,098,360
2033	-	896,950	896,950	4,053,000	2,048,795	6,101,795
2034	-	896,950	896,950	4,141,000	1,954,903	6,095,903
2035	-	896,950	896,950	4,241,000	1,858,925	6,099,925
2036	-	896,950	896,950	4,338,000	1,760,420	6,098,420
2037	-	896,950	896,950	4,443,000	1,659,634	6,102,634
2038	-	896,950	896,950	4,542,000	1,556,215	6,098,215
2039	-	896,950	896,950	4,654,000	1,446,320	6,100,320
2040	-	896,950	896,950	4,762,000	1,333,298	6,095,298
2041	1,275,000	896,950	2,171,950	1,755,000	1,217,375	2,972,375
2042	630,000	845,950	1,475,950	1,830,000	1,142,375	2,972,375
2043	655,000	820,750	1,475,750	1,915,000	1,057,175	2,972,175
2044	680,000	794,550	1,474,550	1,985,000	986,875	2,971,875
2045	710,000	765,650	1,475,650	2,060,000	912,300	2,972,300
2046	745,000	735,475	1,480,475	2,140,000	834,875	2,974,875
2047	775,000	703,813	1,478,813	2,220,000	754,388	2,974,388
2048	2,300,000	670,875	2,970,875	2,300,000	670,875	2,970,875
2049	2,400,000	573,125	2,973,125	2,400,000	573,125	2,973,125
2050	2,505,000	468,125	2,973,125	2,505,000	468,125	2,973,125
2051	2,615,000	358,531	2,973,531	2,615,000	358,531	2,973,531
2052	2,730,000	244,125	2,974,125	2,730,000	244,125	2,974,125
2053	2,850,000	124,688	2,974,688	2,850,000	124,688	2,974,688
Total	\$ 20,870,000	\$ 23,250,756	\$ 44,120,756	\$ 97,056,000	\$ 45,274,031	\$ 142,330,031

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

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy ⁽¹⁾		Mills Levied		Total Property Taxes		Percentage Collected to Levied
	General	Debt	General	Debt	Levied	Collected	
	Fund	Service	Fund	Service			
2018	\$ 190,588,200	\$ 212,505,240	24.250	25.260	\$ 10,072,736	\$ 10,007,151	99.3%
2019	189,831,740	211,832,970	24.250	25.260	9,954,321	9,609,050	96.5%
2020	185,423,880	210,887,570	24.250	25.260	10,134,134	10,043,728	99.1%
2021	179,382,980	205,308,200	28.250	21.260	9,432,421	9,397,631	99.6%
2022	183,323,450	211,265,770	28.740	21.260	9,766,525	9,726,009	99.6%
2023							
Debt Service		\$ 212,513,270		21.260	\$ 4,518,032	\$ 4,390,399	
Operational	\$ 185,473,160		28.740		5,330,499	5,157,959	
					<u>\$ 9,848,531</u>	<u>\$ 9,548,358</u> ⁽²⁾	97.0 %
Estimated for Calendar Year December 31, 2024							
Debt Service		\$ 231,909,020		22.000	\$ 5,136,579		
Operational	\$ 197,893,030		27.000		5,380,187		
					<u>\$ 10,516,766</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 is net of tax abatements and refunds totaling (\$236,799).

CONTINUING DISCLOSURE OBLIGATION

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION
YEAR ENDED DECEMBER 31, 2023**

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

	2023		2024	
	Final Budget	Actual	Variance	Budget
REVENUES				
Property Taxes	\$ 5,330,499	\$ 5,157,959	\$ (172,540)	\$ 5,380,187
Specific Ownership Taxes	479,745	493,776	14,031	484,217
Intergovernmental	245,059	258,838	13,779	249,661
In-Lieu Tax Fees	94	94	-	134
Building Lease	37,041	37,041	-	38,523
Miscellaneous Income	500	50	(450)	500
Net Investment Income	12,000	17,267	5,267	35,000
Reimbursed Expenditures	80,000	74,504	(5,496)	80,000
Total Revenues	<u>6,184,938</u>	<u>6,039,529</u>	<u>(145,409)</u>	<u>6,268,222</u>
EXPENDITURES				
Accounting and Audit	90,657	71,979	18,678	83,500
Board Support	15,000	10,552	4,448	10,000
Consulting	10,000	7,263	2,737	10,000
Contingency	5,757	-	5,757	37,500
Contract Services	515,000	315,922	199,078	621,700
County Treasurer's Fees	80,630	77,253	3,377	80,703
Dues and Subscriptions	24,000	5,178	18,822	15,000
Electric and Gas	65,000	36,257	28,743	40,000
Engineering	10,000	-	10,000	-
Insurance	50,000	58,134	(8,134)	65,000
Irrigation	30,000	14,017	15,983	15,000
Legal	65,000	52,577	12,423	65,000
Operational Labor	3,150,000	1,954,310	1,195,690	2,012,000
Materials	165,000	143,157	21,843	141,500
Multimodal	-	224,014	(224,014)	275,000
Office Overhead	49,500	44,779	4,721	52,500
Payroll Tax	450	413	37	450
Reimbursable Landscape and Maintenance	58,000	55,955	2,045	60,000
Total Expenditures	<u>4,383,994</u>	<u>3,071,760</u>	<u>1,312,234</u>	<u>3,584,853</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,800,944	2,967,769	1,166,825	2,683,369
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(2,100,000)	(2,050,000)	50,000	(3,200,000)
Total Other Financing Sources (Uses)	<u>(2,100,000)</u>	<u>(2,050,000)</u>	<u>50,000</u>	<u>(3,200,000)</u>
NET CHANGE IN FUND BALANCES	(299,056)	917,769	1,216,825	(516,631)
Fund Balances - Beginning of Year	<u>706,037</u>	<u>908,255</u>	<u>202,218</u>	<u>877,276</u>
FUND BALANCES - END OF YEAR	<u>\$ 406,981</u>	<u>\$ 1,826,024</u>	<u>\$ 1,419,043</u>	<u>\$ 360,645</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

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

	2023			2024
	Final Budget	Actual	Variance	Budget
REVENUES				
Property Taxes	\$ 4,518,032	\$ 4,390,399	\$ (127,633)	\$ 5,136,579
Specific Ownership Taxes	406,623	418,574	11,951	462,292
In-Lieu Tax Fees	315	315	-	450
Net Investment Income	40,000	104,004	64,004	74,000
Total Revenues	<u>4,964,970</u>	<u>4,913,292</u>	<u>(51,678)</u>	<u>5,673,321</u>
EXPENDITURES				
County Treasurer's Fees	67,770	65,771	1,999	77,049
Bond Principal	235,000	235,000	-	240,000
Bond Interest	898,365	898,365	-	1,459,525
Loan Principal	2,995,000	2,995,000	-	3,059,000
Loan Interest	1,404,454	1,404,454	-	1,339,762
Paying Agent Fees	-	605	(605)	-
Consulting	-	3,000	(3,000)	5,000
Contingency	20,000	-	20,000	49,580
Total Expenditures	<u>5,620,589</u>	<u>5,602,195</u>	<u>18,394</u>	<u>6,229,916</u>
NET CHANGE IN FUND BALANCES	(655,619)	(688,903)	(33,284)	(556,595)
Fund Balances - Beginning of Year	<u>2,129,839</u>	<u>2,129,839</u>	<u>-</u>	<u>1,553,222</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,474,220</u>	<u>\$ 1,440,936</u>	<u>\$ (33,284)</u>	<u>\$ 996,627</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

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

	2023		Variance	2024
	Final Budget	Actual		Budget
REVENUES				
System Development Fees	\$ 2,710,000	\$ -	\$ (2,710,000)	\$ 1,160,000
Reimbursed Expenditures	-	251,658	251,658	-
Net Investment Income	130,000	1,085,875	955,875	700,000
Other Revenue	-	51,508	51,508	-
Total Revenues	<u>2,840,000</u>	<u>1,389,041</u>	<u>(1,450,959)</u>	<u>1,860,000</u>
EXPENDITURES				
Bond Issue Costs	869,771	470,549	399,222	-
Contingency	99,154	-	99,154	100,000
Engineering	100,000	176,592	(76,592)	250,000
Support Management	88,876	88,872	4	89,765
Capital Outlay	13,350,000	13,501,099	(151,099)	23,750,000
Total Expenditures	<u>14,507,801</u>	<u>14,237,112</u>	<u>270,689</u>	<u>24,189,765</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(11,667,801)	(12,848,071)	(1,180,270)	(22,329,765)
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	1,850,000	1,850,000	-	2,250,000
Bond Issuance Proceeds	20,870,000	20,870,000	-	-
Bond Discount	-	(386,972)	(386,972)	-
Total Other Financing Sources (Uses)	<u>22,720,000</u>	<u>22,333,028</u>	<u>(386,972)</u>	<u>2,250,000</u>
NET CHANGE IN FUND BALANCES	11,052,199	9,484,957	(1,567,242)	(20,079,765)
Fund Balances - Beginning of Year	<u>14,854,927</u>	<u>14,854,927</u>	-	<u>23,979,084</u>
FUND BALANCES - END OF YEAR	<u>\$ 25,907,126</u>	<u>\$ 24,339,884</u>	<u>\$ (1,567,242)</u>	<u>\$ 3,899,319</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

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

	2019	2020	2021	2022	2023
REVENUES					
Property Taxes	\$ 4,434,306	\$ 4,596,243	\$ 5,035,627	\$ 5,252,728	\$ 5,157,959
Specific Ownership Taxes	487,019	400,163	486,391	466,354	493,776
Intergovernmental	179,617	245,047	231,780	235,608	258,838
In-Lieu Tax Fees	142	142	142	103	94
Building Lease	31,485	32,353	32,985	34,139	37,041
Miscellaneous Income	1,260	570	500	500	50
Net Investment Income	4,862	3,417	5,645	20,748	17,267
Reimbursed Expenditures	10,809	65,427	102,265	70,813	74,504
Total Revenues	<u>5,149,500</u>	<u>5,343,362</u>	<u>5,895,335</u>	<u>6,080,993</u>	<u>6,039,529</u>
EXPENDITURES					
Accounting and Audit	63,939	63,868	70,061	71,678	71,979
Board Support	10,375	9,976	11,805	8,005	10,552
Community Events	28,739	2,500	562	-	-
Consulting	-	-	-	-	7,263
Contingency	-	-	-	58	-
Contract Services	247,117	258,809	229,924	355,202	315,922
County Treasurer's Fees	70,257	68,999	75,650	78,954	77,253
Dues and Subscriptions	17,367	19,392	16,136	12,474	5,178
Electric and Gas	49,517	30,678	40,631	40,387	36,257
Engineering and Consulting	5,366	4,380	10,101	8,852	-
Global Information Services	25,750	21,120	-	-	-
Insurance	44,998	42,614	42,145	43,379	58,134
Irrigation	14,814	24,353	14,277	12,060	14,017
Legal	23,742	36,598	63,107	49,920	52,577
Maintenance	2,309,871	2,299,770	2,523,529	2,668,244	1,954,310
Materials	111,041	99,052	70,372	98,327	143,157
Multimodal	-	-	-	-	224,014
Office Overhead	33,149	38,564	43,269	45,154	44,779
Payroll Tax	398	451	834	367	413
Reimbursable Landscape Service	-	-	58,350	51,888	55,955
Total Expenditures	<u>3,056,440</u>	<u>3,021,124</u>	<u>3,270,753</u>	<u>3,544,949</u>	<u>3,071,760</u>
EXCESS OF REVENUES OVER EXPENDITURES	2,093,060	2,322,238	2,624,582	2,536,044	2,967,769
OTHER FINANCING SOURCES (USES)					
Transfers In (Out)	(2,350,000)	(1,500,000)	(2,900,000)	(2,080,000)	(2,050,000)
Government Merger	-	-	(639,657)	-	-
Total Other Financing Sources (Uses)	<u>(2,350,000)</u>	<u>(1,500,000)</u>	<u>(3,539,657)</u>	<u>(2,080,000)</u>	<u>(2,050,000)</u>
NET CHANGE IN FUND BALANCES	(256,940)	822,238	(915,075)	456,044	917,769
Fund Balances - Beginning of Year	<u>801,988</u>	<u>545,048</u>	<u>1,367,286</u>	<u>452,211</u>	<u>908,255</u>
FUND BALANCES - END OF YEAR	<u>\$ 545,048</u>	<u>\$ 1,367,286</u>	<u>\$ 452,211</u>	<u>\$ 908,255</u>	<u>\$ 1,826,024</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

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

	2019	2020	2021	2022	2023
REVENUES					
Property Taxes	\$ 5,174,744	\$ 5,447,485	\$ 4,362,004	\$ 4,473,281	\$ 4,390,399
Specific Ownership Taxes	510,368	473,983	421,239	397,099	418,574
In-Lieu Tax Fees	425	426	426	346	315
Net Investment Income	21,094	15,216	8,632	54,079	104,004
Other Revenue	-	200,255	-	-	-
Total Revenues	<u>5,706,631</u>	<u>6,137,365</u>	<u>4,792,301</u>	<u>4,924,805</u>	<u>4,913,292</u>
EXPENDITURES					
County Treasurer's Fees	73,924	81,801	65,519	67,222	65,771
Debt Service	5,269,464	5,091,572	5,195,461	5,206,365	5,536,424
Total Expenditures	<u>5,343,388</u>	<u>5,173,373</u>	<u>5,260,980</u>	<u>5,273,587</u>	<u>5,602,195</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	363,243	963,992	(468,679)	(348,782)	(688,903)
OTHER FINANCING SOURCES (USES)					
Loan Issuance	-	70,063,000	-	-	-
Payment to Refunding Escrow Agent	-	(63,924,095)	-	-	-
Transfers In (Out)	-	(5,982,142)	-	-	-
Government Merger	-	-	12	-	-
Total Other Financing Sources	<u>-</u>	<u>156,763</u>	<u>12</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	363,243	1,120,755	(468,667)	(348,782)	(688,903)
Fund Balances - Beginning of Year	<u>1,463,290</u>	<u>1,826,533</u>	<u>2,947,288</u>	<u>2,478,621</u>	<u>2,129,839</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,826,533</u>	<u>\$ 2,947,288</u>	<u>\$ 2,478,621</u>	<u>\$ 2,129,839</u>	<u>\$ 1,440,936</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

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

	2019	2020	2021	2022	2023
REVENUES					
Net Investment Income	\$ 502,586	\$ 150,388	\$ 9,549	\$ 323,693	\$ 1,085,875
Reimbursed Expenditures	-	-	523,000	251,644	251,658
Storm Facility Reimbursement	-	-	714,126	-	-
System Development Fees	-	790,482	2,449,255	894,878	-
Other Revenue	244,512	649,616	-	54,425	51,508
Total Revenues	<u>747,098</u>	<u>1,590,486</u>	<u>3,695,930</u>	<u>1,524,640</u>	<u>1,389,041</u>
EXPENDITURES					
Bond Issuance Costs	-	-	-	-	470,549
Support Management	77,661	75,440	79,212	87,133	88,872
Engineering	-	-	135,240	221,385	176,592
Capital Outlay	5,448,587	8,617,942	5,446,171	6,901,732	13,501,099
Total Expenditures	<u>5,526,248</u>	<u>8,693,382</u>	<u>5,660,623</u>	<u>7,210,250</u>	<u>14,237,112</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(4,779,150)	(7,102,896)	(1,964,693)	(5,685,610)	(12,848,071)
OTHER FINANCING SOURCES AND (USES)					
Transfers In (Out)	2,200,000	7,332,142	2,100,000	1,190,000	1,850,000
Bond Insurance Proceeds	-	-	-	-	20,870,000
Bond Discount	-	-	-	-	(386,972)
Government Merger	-	-	37,717	-	-
Total Other Financing Sources	<u>2,200,000</u>	<u>7,332,142</u>	<u>2,137,717</u>	<u>1,190,000</u>	<u>22,333,028</u>
NET CHANGE IN FUND BALANCES	(2,579,150)	229,246	173,024	(4,495,610)	9,484,957
Fund Balances - Beginning of Year	<u>21,527,417</u>	<u>18,948,267</u>	<u>19,177,513</u>	<u>19,350,537</u>	<u>14,854,927</u>
FUND BALANCES - END OF YEAR	<u>\$ 18,948,267</u>	<u>\$ 19,177,513</u>	<u>\$ 19,350,537</u>	<u>\$ 14,854,927</u>	<u>\$ 24,339,884</u>

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

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

Levy/ Collection Year	Property Within the District and the 2003-06 & 2012 Excluded Property (Loan 2020B Property)		1999 Excluded Property		Total (Loan 2020A Property)	Property Consolidated from North Meridian	
	Assessed Valuation	Percent Change	Assessed Valuation	Percent Change	Assessed Valuation	Assessed Valuation	Percent Change
2019/2020	\$ 195,359,820	-2.3%	\$ 15,527,750	15.7%	\$ 210,887,570	-	-
2020/2021	189,351,850	-3.1%	15,956,350	2.8%	205,308,200	841,710	-
2021/2022	193,834,050	2.4%	17,431,720	9.2%	211,265,770	296,280	-64.8%
2022/2023	195,984,160	1.1%	16,529,110	-5.2%	212,513,270	-	na
2023/2024	212,202,210	8.3%	19,706,810	19.2%	231,909,020	-	na

All taxable property of the District is subject to levy for the purpose of paying the principal and interest on the 2020A Loan. All taxable property of the District except for the 1999 Excluded Property (taxing authority 4406) is subject to levy for the purpose of paying the principal and interest on the 2020B Loan.

**FIVE YEAR HISTORY OF MILL LEVIES FOR THE DISTRICT
(UNAUDITED)**

Levy/ Collection Year	Property Within the District and the 2003-06 Excluded Property				1999 Excluded Property	Property Consolidated from North Meridian
	General Fund	Debt Service	Special Abatement	Total	Debt Service	General Fund
2019/2020	24.250	25.260	1.675	51.185	25.260	-
2020/2021	28.250	21.260	-	49.510	21.260	50.000
2021/2022	28.740	21.260	-	50.000	21.260	50.000
2022/2023	28.740	21.260	-	50.000	21.260	-
2023/2024	27.000	22.000	0.340	49.340	22.000	-

**FIVE YEAR HISTORY OF PROPERTY TAX COLLECTIONS FOR THE DISTRICT
(UNAUDITED)**

Levy/ Collection Year	Property Within the District and the 2003-06 & 2012 Excluded Property			1999 Excluded Property			Property Consolidated from North Meridian		
	Taxes Levied	Current Tax Collections	Collection Rate	Taxes Levied	Current Tax Collections	Collection Rate	Taxes Levied	Current Tax Collections	Collection Rate
2018/2019	\$ 9,617,985	\$ 9,273,807	96.42%	\$ 336,335	\$ 335,243	99.68%	-	-	-
2019/2020	9,741,902	9,652,581	99.08%	392,232	391,147	99.72%	-	-	-
2020/2021	9,093,190	9,031,324	99.32%	339,232	339,232	100.00%	52,733	27,075	51.34%
2021/2022	9,381,113	9,344,158	99.61%	370,598	370,599	100.00%	14,814	11,252	75.96%
2022/2023	9,259,849	9,196,949	99.32%	351,409	351,409	100.00%	-	-	na

**MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

TEN LARGEST TAXPAYERS IN THE DISTRICT FOR 2023

Taxpayer Name	Assessed Valuation	Percentage of Total Assessed Valuation
Windsor at Meridian LLC	\$ 14,774,620	6.37%
Sierra Nevada Corporation	13,866,990	5.98%
Echostart Real Estate Corporation IV	12,738,910	5.49%
AGNL Engineering LLC	12,024,900	5.19%
Meridian Office Partners LLC	10,854,800	4.68%
Teletech Services Corporation	9,084,960	3.92%
Liberty Property Holdings Lot 7A-2 LLC	8,109,220	3.50%
Compass Meridian LLC	6,575,630	2.84%
Liberty Industrial LLC	6,560,510	2.83%
Zenith Meridian LLC	6,464,160	2.79%
	<u>\$ 101,054,700</u>	<u>43.59%</u>

2023 ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT

Property Class	Property Within the District and the 2003-06 & 2012 Excluded Property		1999 Excluded Property	
	Total Assessed Valuation	Percent of Total Assessed Valuation	Total Assessed Valuation	Percent of Total Assessed Valuation
Commercial	\$ 138,005,540	65.03%	\$ -	0.00%
Personal	42,187,550	19.88%	608,840	3.09%
Vacant	3,153,480	1.49%	-	0.00%
Industrial	14,773,180	6.96%	-	0.00%
State Assessed	22,900	0.01%	4,600	0.02%
Residential	14,030,570	6.61%	19,093,370	96.89%
Agricultural	28,990	0.01%	-	0.00%
	<u>\$ 212,202,210</u>	<u>100.00%</u>	<u>\$ 19,706,810</u>	<u>100.00%</u>