

2023 ANNUAL REPORT
DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1

As required by Section 32-1-207(3)(c), C.R.S. and Section XIII of the Amended and Restated Service Plan for Denver International Business Center Metropolitan District No. 1 (the “**District**”), approved by the City Council of the City and County of Denver (the “**City**”) on October 29, 2018, and as amended by that certain First Amendment thereto approved by the City on April 8, 2019 (the “**Service Plan**”), the following report of activities for the District from January 1, 2022 to December 31, 2022 is hereby submitted.

- A. Boundary changes made: No boundary changes were made or proposed during the reporting year.
- B. Intergovernmental Agreements entered into or terminated: The District did not enter into or terminate any Intergovernmental Agreements during the reporting year.
- C. Access information to obtain a copy of rules and regulations adopted: The District does not currently have any rules and regulations and there were none proposed during the reporting year. In the event the District adopts rules and regulations in the future, such documents may be accessed at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111, or on the District’s website: www.dibcmd.com.
- D. Summary of litigation involving the District’s public improvements: To our knowledge, the District is not involved in any litigation involving the District’s public improvements.
- E. Status of the District’s construction of public improvements: During the reporting year, the District began design and entitlement work for DIBC Filing 8 Infrastructure. A portion of the DIBC Filing 10 public improvements were constructed during the reporting year.
- F. Conveyances or dedications of facilities or improvements, constructed by the District, to the City and County of Denver, Colorado: The District did not convey or dedicate any facilities or improvements to the City and County of Denver, Colorado during the reporting year.
- G. Final assessed valuation of the District for the reporting year: Final 2023 Assessed Valuation for property located within the District: **\$75,617,210**.
- H. Current year’s budget: A copy of the District’s 2024 budget is attached hereto as **Exhibit A**.
- I. Audited financial statements for the reporting year (or application for exemption from audit): A copy of the District’s 2023 Audit is attached hereto as **Exhibit B**.

- J. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument: To our knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period.

- K. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period: To our knowledge, the District has been able to pay its obligations as they come due.

Exhibit A

2024 Budget

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/22/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 21,156,460	\$ 20,853,068	\$ 16,186,983
REVENUES			
Property taxes	2,191,913	2,413,213	3,697,152
Specific ownership taxes	118,010	133,536	184,858
Interest income	374,744	950,000	645,000
Payment in lieu of taxes	325,888	307,630	307,470
Developer contribution	6,232	10,000	10,000
Total revenues	<u>3,016,787</u>	<u>3,814,379</u>	<u>4,844,480</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>1,100,000</u>
Total funds available	<u>24,173,247</u>	<u>24,667,447</u>	<u>22,131,463</u>
EXPENDITURES			
General Fund	119,662	140,986	205,000
Debt Service Fund	2,959,973	2,963,478	3,042,000
Capital Projects Fund	240,544	5,376,000	8,031,496
Total expenditures	<u>3,320,179</u>	<u>8,480,464</u>	<u>11,278,496</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>1,100,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,320,179</u>	<u>8,480,464</u>	<u>12,378,496</u>
ENDING FUND BALANCES	<u>\$ 20,853,068</u>	<u>\$ 16,186,983</u>	<u>\$ 9,752,967</u>
EMERGENCY RESERVE	\$ 13,600	\$ 15,500	\$ 17,800
AVAILABLE FOR OPERATIONS	1,981,374	2,354,491	1,638,457
SERIES 2019A RESERVE REQUIREMENT	191,691	191,691	191,691
SERIES 2019B RESERVE REQUIREMENT	3,201,500	3,201,500	3,201,500
SERIES 2020 RESERVE REQUIREMENT	1,149,500	1,149,500	1,149,500
TOTAL RESERVE	<u>\$ 6,537,665</u>	<u>\$ 6,912,682</u>	<u>\$ 6,198,948</u>

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/22/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Commercial	\$ 40,149,120	\$ 43,743,730	\$ 60,971,980
Agricultural	-	2,270	4,120
State assessed	1,091,800	1,099,800	1,005,980
Vacant land	2,664,390	1,897,920	1,112,940
Personal property	5,066,270	5,518,260	12,522,190
Certified Assessed Value	\$ 48,971,580	\$ 52,261,980	\$ 75,617,210

MILL LEVY

General	2.000	2.000	2.000
Debt Service	45.000	45.000	46.893
Total mill levy	47.000	47.000	48.893

PROPERTY TAXES

General	\$ 97,943	\$ 104,524	\$ 151,234
Debt Service	2,203,721	2,351,789	3,545,918
Levied property taxes	2,301,664	2,456,313	3,697,152
Adjustments to actual/rounding	(10,385)	-	-
Refunds and abatements	(99,366)	(43,100)	-
Budgeted property taxes	\$ 2,191,913	\$ 2,413,213	\$ 3,697,152

BUDGETED PROPERTY TAXES

General	\$ 93,273	\$ 102,690	\$ 151,234
Debt Service	2,098,640	2,310,523	3,545,918
Budgeted property taxes	\$ 2,191,913	\$ 2,413,213	\$ 3,697,152

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/22/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,661,772	\$ 1,994,974	\$ 2,369,991
REVENUES			
Property taxes	93,273	102,690	151,234
Specific ownership taxes	5,022	5,683	7,562
Payment in lieu of taxes	325,888	307,630	307,470
Interest income	28,681	100,000	125,000
Total revenues	<u>452,864</u>	<u>516,003</u>	<u>591,266</u>
Total funds available	<u>2,114,636</u>	<u>2,510,977</u>	<u>2,961,257</u>
EXPENDITURES			
General and administrative			
Accounting	24,742	26,000	29,000
Auditing	5,200	5,500	6,000
County Treasurer's fees	931	1,027	1,512
Dues and membership	604	540	1,000
City and County of Denver fee	3,000	3,000	3,000
Insurance	6,660	7,054	9,000
District management	17,716	15,000	17,000
Legal	19,298	26,000	29,000
Election	2,730	1,865	-
Miscellaneous	2,336	5,000	5,000
Repay Developer advance	6,122	-	-
Contingency	-	-	18,488
Operations and maintenance			
Landscaping	5,904	10,000	25,000
Landscape enhancements	-	-	5,000
Snow removal	8,800	15,000	25,000
Repairs and maintenance	11,289	20,000	25,000
Utilities	4,330	5,000	6,000
Total expenditures	<u>119,662</u>	<u>140,986</u>	<u>205,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>-</u>	<u>1,100,000</u>
Total expenditures and transfers out requiring appropriation	<u>119,662</u>	<u>140,986</u>	<u>1,305,000</u>
ENDING FUND BALANCES	<u>\$ 1,994,974</u>	<u>\$ 2,369,991</u>	<u>\$ 1,656,257</u>
EMERGENCY RESERVE	\$ 13,600	\$ 15,500	\$ 17,800
AVAILABLE FOR OPERATIONS	<u>1,981,374</u>	<u>2,354,491</u>	<u>1,638,457</u>
TOTAL RESERVE	<u>\$ 1,994,974</u>	<u>\$ 2,369,991</u>	<u>\$ 1,656,257</u>

No assurance provided. See summary of significant assumptions.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/22/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 7,837,808	\$ 7,240,598	\$ 7,065,496
REVENUES			
Property taxes	2,098,640	2,310,523	3,545,918
Specific ownership taxes	112,988	127,853	177,296
Interest income	151,135	350,000	350,000
Total revenues	2,362,763	2,788,376	4,073,214
Total funds available	10,200,571	10,028,974	11,138,710
EXPENDITURES			
General and administrative			
County Treasurer's fees	20,955	23,105	35,459
Paying agent fees	11,750	11,750	11,750
Contingency	-	-	3,279
Debt Service			
Bond interest - Series 2019A	181,788	181,788	181,757
Bond interest - Series 2019B	1,920,900	1,920,900	1,920,900
Bond interest - Series 2020	319,580	304,935	289,855
Bond principal - Series 2019A	-	1,000	4,000
Bond principal - Series 2019B	-	-	50,000
Bond principal - Series 2020	505,000	520,000	545,000
Total expenditures	2,959,973	2,963,478	3,042,000
Total expenditures and transfers out requiring appropriation	2,959,973	2,963,478	3,042,000
ENDING FUND BALANCES	\$ 7,240,598	\$ 7,065,496	\$ 8,096,710
SERIES 2019A RESERVE REQUIREMENT	\$ 191,691	\$ 191,691	\$ 191,691
SERIES 2019B RESERVE REQUIREMENT	3,201,500	3,201,500	3,201,500
SERIES 2020 RESERVE REQUIREMENT	1,149,500	1,149,500	1,149,500
TOTAL RESERVE	\$ 4,542,691	\$ 4,542,691	\$ 4,542,691

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2024 BUDGET**

**WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 11,656,880	\$ 11,617,496	\$ 6,751,496
REVENUES			
Developer contribution	6,232	10,000	10,000
Interest income	194,928	500,000	170,000
Total revenues	<u>201,160</u>	<u>510,000</u>	<u>180,000</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>1,100,000</u>
Total funds available	<u>11,858,040</u>	<u>12,127,496</u>	<u>8,031,496</u>
EXPENDITURES			
General and administrative			
Accounting	3,039	5,000	6,000
Engineering	6,612	6,000	10,000
Legal	-	10,000	15,000
Contingency	-	-	1,671,496
Capital Projects			
Capital outlay - Filing 10	95,185	5,050,000	2,694,000
Capital outlay - DIBC IMP/ LDR	135,708	85,000	-
Capital outlay - Filing 8	-	-	3,485,000
Access road	-	220,000	-
67th to Telluride	-	-	150,000
Total expenditures	<u>240,544</u>	<u>5,376,000</u>	<u>8,031,496</u>
Total expenditures and transfers out requiring appropriation	<u>240,544</u>	<u>5,376,000</u>	<u>8,031,496</u>
ENDING FUND BALANCES	<u>\$ 11,617,496</u>	<u>\$ 6,751,496</u>	<u>\$ -</u>

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
2024 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City and County of Denver, Colorado on November 18, 1994, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under an Amended and Restated Service Plan approved by the City and County of Denver on October 29, 2018, as further amended by a First Amendment on April 8, 2019. The District's service area is located entirely within the City and County of Denver, Colorado.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes Section 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

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.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%	Lodging	\$30,000
			Oil & Gas Production	87.50%		

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
2024 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 5% of the property taxes collected by the District.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense. Estimated expenditures related to streetscape, ponds and weeds, snow removal, and utilities were also included in the General Fund budget.

County Treasurer's Fees

County Treasurer's fees have been computed at 1% of property tax collections.

Debt Service

Principal and interest payments in 2024 are provided based on the attached debt amortization schedules of the 2019A Bonds, 2019B Bonds, and 2020 Bonds.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt and Leases

Series 2019A General Obligation Bonds and Subordinate Series 2019B Limited Tax General Obligation Bonds

On May 22, 2019, the District issued \$4,620,000 General Obligation Bonds, Series 2019A (2019A Bonds) and \$32,015,000 Subordinate Limited Tax General Obligation Bonds, Series 2019B (2019B Bonds and together with the 2019A Bonds, the 2019 Bonds).

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
2024 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases – (continued)

Series 2019A General Obligation Bonds and Subordinate Series 2019B Limited Tax General Obligation Bonds - (continued)

Proceeds from the sale of the 2019B Bonds will be used for the purposes of funding the costs of and reimbursing the Developer and its affiliates for advances made to the District for capital improvements and purchasing land. Further proceeds will be used to fund: (a) the Senior Reserve Fund, (b) the Subordinate Reserve Fund, (c) the costs of issuing the 2019 Bonds, and (d) a portion of the interest to accrue on the 2019B Bonds.

The 2019A Bonds are subject to mandatory sinking fund redemption commencing on December 1, 2023. The Series 2019A Bonds maturing on and after December 1, 2028 are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, on June 1, 2024, and on any date thereafter, upon payment of par and accrued interest, without redemption premium. The 2019A Bonds are secured by: (a) all Senior Property Tax Revenues, and (b) any other legal available monies which the District determines, in its absolute discretion, to credit to the Senior Bond Fund. The 2019A Bonds are further secured by the Senior Reserve Fund.

The 2019B Bonds, maturing on December 1, 2048, are subject to mandatory sinking fund redemption commencing on December 1, 2024. The 2019B Bonds are secured by: (a) all Subordinate Property Tax Revenues; (b) all PILOT Revenue; (c) all Specific Ownership Tax Revenues; and (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund. A portion of the interest on the 2019B Bonds will be paid from capitalized interest to be funded with proceeds of the 2019B Bonds in the amount of \$5,762,700. The 2019B Bonds are further secured by amounts on deposit in the Subordinate Reserve Fund and amounts on deposit in the Subordinate Surplus Fund up to the Maximum Surplus Amount of \$3,201,500.

Interest on the 2019A Bonds are payable semi-annually on June 1, and December 1, each year commencing December 1, 2019. Interest on the 2019B Bonds are payable annually, to the extent Subordinate Pledged Revenue is available, on December 1, each year commencing on December 1, 2019.

Series 2020 General Obligation Refunding Bonds

On September 3, 2020 the District issued General Obligation Refunding Bonds, Series 2020 in the amount of \$11,495,000 (2020 Bonds). Proceeds from the sale of the 2020 Bonds were used to (a) refund the outstanding Series 2010 Bonds, (b) fund the 2020 Reserve Fund, and (c) pay costs in connection with the issuance of the 2020 Bonds.

The 2020 Bonds bear interest at rate of 2.9%, payable semi-annually to the extent of Pledged Revenue available on June 1 and December 1, beginning on December 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The 2020 Bonds mature on December 1, 2035.

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
2024 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

Series 2020 General Obligation Refunding Bonds – (continued)

The 2020 Bonds are payable with the following Pledged Revenue:

- (a) all Property Tax Revenues; and
- (b) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

The 2020 Bonds are further secured by the Reserve Fund funded in the amount of \$1,149,500. The Reserve Fund is expected to be maintained as a continuing reserve for the payment of principal and interest on the Bonds.

Reserves

Emergency Reserves

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR.

Restricted in Debt Service Fund

The Series 2019A Bonds have a Reserve Requirement of \$191,691, the Series 2019B Bonds have a Reserve Requirement of \$3,201,500, and the Series 2020 Bonds have a Reserve Requirement of \$1,149,500.

This information is an integral part of the accompanying budget.

Denver International Business Center Metropolitan District No. 1
\$4,620,000
General Obligation Refunding Bonds
Series 2019A
Issue date May 22, 2019
Interest Rate of 3.00-4.00%
Due June 1 and December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 4,000	\$ 181,757	\$ 185,757
2025	5,000	181,638	186,638
2026	5,000	181,487	186,487
2027	5,000	181,338	186,338
2028	5,000	181,187	186,187
2029	5,000	181,038	186,038
2030	5,000	180,862	185,862
2031	5,000	180,688	185,688
2032	5,000	180,512	185,512
2033	5,000	180,338	185,338
2034	5,000	180,162	185,162
2035	5,000	179,975	184,975
2036	245,000	179,788	424,788
2037	250,000	170,600	420,600
2038	270,000	161,225	431,225
2039	280,000	151,100	431,100
2040	300,000	140,600	440,600
2041	310,000	128,600	438,600
2042	330,000	116,200	446,200
2043	345,000	103,000	448,000
2044	370,000	89,200	459,200
2045	385,000	74,400	459,400
2046	410,000	59,000	469,000
2047	425,000	42,600	467,600
2048	640,000	25,600	665,600
	<u>\$ 4,619,000</u>	<u>\$ 3,612,895</u>	<u>\$ 8,231,895</u>

Denver International Business Center Metropolitan District No. 1
\$32,015,000 Subordinate Limited Tax
General Obligation Bonds
Series 2019B
Issue date May 22, 2019
Interest Rate of 6.00%
Due December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 50,000	\$ 1,920,900	\$ 1,970,900
2025	40,000	1,917,900	1,957,900
2026	90,000	1,915,500	2,005,500
2027	60,000	1,910,100	1,970,100
2028	120,000	1,906,500	2,026,500
2029	105,000	1,899,300	2,004,300
2030	155,000	1,893,000	2,048,000
2031	165,000	1,883,700	2,048,700
2032	230,000	1,873,800	2,103,800
2033	230,000	1,860,000	2,090,000
2034	310,000	1,846,200	2,156,200
2035	325,000	1,827,600	2,152,600
2036	1,275,000	1,808,100	3,083,100
2037	1,355,000	1,731,600	3,086,600
2038	1,495,000	1,650,300	3,145,300
2039	1,585,000	1,560,600	3,145,600
2040	1,745,000	1,465,500	3,210,500
2041	1,850,000	1,360,800	3,210,800
2042	2,025,000	1,249,800	3,274,800
2043	2,145,000	1,128,300	3,273,300
2044	2,340,000	999,600	3,339,600
2045	2,475,000	859,200	3,334,200
2046	2,690,000	710,700	3,400,700
2047	2,855,000	549,300	3,404,300
2048	6,300,000	378,000	6,678,000
	<u>\$ 32,015,000</u>	<u>\$ 38,106,300</u>	<u>\$ 70,121,300</u>

Denver International Business Center Metropolitan District No. 1
\$11,495,000
General Obligation Refunding Bonds
Series 2020
Dated September 3, 2020
Interest Rate of 2.90%
Due June 1 and December 1

Year Ending December 31,	Principal	Interest	Total
2024	\$ 545,000	\$ 289,855	\$ 834,855
2025	575,000	274,050	849,050
2026	605,000	257,375	862,375
2027	655,000	239,830	894,830
2028	685,000	220,835	905,835
2029	725,000	200,970	925,970
2030	770,000	179,945	949,945
2031	795,000	157,615	952,615
2032	825,000	134,560	959,560
2033	860,000	110,635	970,635
2034	885,000	85,695	970,695
2035	2,070,000	60,030	2,130,030
	<u>\$ 9,995,000</u>	<u>\$ 2,211,395</u>	<u>\$ 12,206,395</u>

No assurance provided. See summary of significant assumptions.

Exhibit B

2023 Audit

**DENVER INTERNATIONAL BUSINESS CENTER
METROPOLITAN DISTRICT NO. 1
Denver County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
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Board of Directors
Denver International Business Center Metropolitan District No. 1
Denver County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Denver International Business Center Metropolitan District No. 1 (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 and each major fund of Denver International Business Center Metropolitan District No. 1 as of December 31, 2023, and the respective changes in financial position 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 (GAAP), 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.

Auditor's Responsibilities 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 judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks 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 judgment, 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 with 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.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States 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 financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Annual Disclosure Information

Management is responsible for the annual disclosure information included in our report. The annual disclosure information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the annual disclosure information, and, accordingly, we do not express an opinion or provide any assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the annual disclosure information and consider whether a material inconsistency exists between the annual disclosure information and the basic financial statements, or the annual disclosure information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the annual disclosure information exists, we are required to describe it in our report.

Wipfli LLP

Wipfli LLP
Denver, Colorado
August 28, 2024

BASIC FINANCIAL STATEMENTS

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Governmental Activities
ASSETS	
Cash and Investments	\$ 2,382,515
Cash and Investments - Restricted	14,757,994
Receivable from Developer	162
Accounts Receivable	262,497
Receivable from County Treasurer	9,023
Property Taxes Receivable	3,697,152
Capital Assets, Not Being Depreciated	22,736,091
Total Assets	43,845,434
DEFERRED OUTFLOWS OF RESOURCES	
Cost of Refunding	156,458
Total Deferred Outflows of Resources	156,458
LIABILITIES	
Accounts Payable	135,598
Retainage Payable	192,745
Due to County	1,321
Bond Interest Payable	199,376
Noncurrent Liabilities:	
Due Within One Year	599,000
Due in More Than One Year	46,030,000
Total Liabilities	47,158,040
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	3,697,152
Total Deferred Inflows of Resources	3,697,152
NET POSITION	
Restricted For:	
Emergency Reserves	15,700
Debt Service	2,389,953
Unrestricted	(9,258,953)
Total Net Position	\$ (6,853,300)

See accompanying Notes to Basic Financial Statements.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General Government	\$ 150,214	\$ -	\$ 307,630	\$ 5,935	\$ 163,351
Interest and Related Costs on Long-Term Debt	2,462,664	-	-	-	(2,462,664)
Total Governmental Activities	\$ 2,612,878	\$ -	\$ 307,630	\$ 5,935	(2,299,313)
 GENERAL REVENUES					
Property Taxes					2,402,892
Specific Ownership Taxes					127,569
Interest Income					1,066,200
Total General Revenues					3,596,661
 CHANGE IN NET POSITION					
Net Position - Beginning of Year					(8,150,648)
 NET POSITION - END OF YEAR					
					\$ (6,853,300)

See accompanying Notes to Basic Financial Statements.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 2,382,515	\$ -	\$ -	\$ 2,382,515
Cash and Investments - Restricted	15,700	7,124,646	7,617,648	14,757,994
Receivable from Developer	-	-	162	162
Accounts Receivable	-	-	262,497	262,497
Receivable from County Treasurer	384	8,639	-	9,023
Property Taxes Receivable	151,234	3,545,918	-	3,697,152
	<u>\$ 2,549,833</u>	<u>\$ 10,679,203</u>	<u>\$ 7,880,307</u>	<u>\$ 21,109,343</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 17,213	\$ -	\$ 118,385	\$ 135,598
Retainage Payable	-	-	192,745	192,745
Due to County	56	1,265	-	1,321
Total Liabilities	<u>17,269</u>	<u>1,265</u>	<u>311,130</u>	<u>329,664</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	151,234	3,545,918	-	3,697,152
Total Deferred Inflows of Resources	<u>151,234</u>	<u>3,545,918</u>	<u>-</u>	<u>3,697,152</u>
FUND BALANCES				
Restricted For:				
Emergency Reserves	15,700	-	-	15,700
Debt Service	-	7,132,020	-	7,132,020
Capital Projects	-	-	7,569,177	7,569,177
Assigned For:				
Subsequent Year's Expenditures	713,734	-	-	713,734
Unassigned	1,651,896	-	-	1,651,896
Total Fund Balances	<u>2,381,330</u>	<u>7,132,020</u>	<u>7,569,177</u>	<u>17,082,527</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,549,833</u>	<u>\$ 10,679,203</u>	<u>\$ 7,880,307</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.

Capital Assets, Not Being Depreciated 22,736,091

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

Deferred Cost of Refunding 156,458

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

Bonds Payable (46,629,000)
Bond Interest Payable (199,376)

Net Position of Governmental Activities \$ (6,853,300)

See accompanying Notes to Basic Financial Statements.

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 102,251	\$ 2,300,641	\$ -	\$ 2,402,892
Specific Ownership Taxes	5,428	122,141	-	127,569
Interest Income	105,941	431,989	528,270	1,066,200
Payments in Lieu of Taxes	307,630	-	-	307,630
Total Revenues	<u>521,250</u>	<u>2,854,771</u>	<u>528,270</u>	<u>3,904,291</u>
EXPENDITURES				
General, Administrative, and Operations:				
Accounting	27,057	-	4,151	31,208
Audit	5,500	-	-	5,500
County Treasurer's Fees	1,021	22,976	-	23,997
Denver Annual Fee	3,000	-	-	3,000
District Management	16,361	-	-	16,361
Dues and Licenses	540	-	-	540
Election	1,865	-	-	1,865
Insurance	7,054	-	-	7,054
Landscaping	6,060	-	-	6,060
Legal	26,722	-	7,250	33,972
Miscellaneous	4,000	-	-	4,000
Repairs and Maintenance	25,362	-	-	25,362
Snow Removal	7,393	-	-	7,393
Utilities	2,959	-	-	2,959
Debt Service:				
Bond Interest - Series 2019A	-	181,788	-	181,788
Bond Interest - Series 2019B	-	1,920,900	-	1,920,900
Bond Interest - Series 2020	-	304,935	-	304,935
Bond Principal - Series 2019A	-	1,000	-	1,000
Bond Principal - Series 2020	-	520,000	-	520,000
Paying Agent Fees	-	11,750	-	11,750
Capital:				
Capital Outlay	-	-	4,567,204	4,567,204
Engineering	-	-	3,919	3,919
Total Expenditures	<u>134,894</u>	<u>2,963,349</u>	<u>4,582,524</u>	<u>7,680,767</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	386,356	(108,578)	(4,054,254)	(3,776,476)
OTHER FINANCING SOURCES (USES)				
Developer Contribution	-	-	5,935	5,935
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>5,935</u>	<u>5,935</u>
NET CHANGE IN FUND BALANCES	386,356	(108,578)	(4,048,319)	(3,770,541)
Fund Balances - Beginning of Year	<u>1,994,974</u>	<u>7,240,598</u>	<u>11,617,496</u>	<u>20,853,068</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,381,330</u>	<u>\$ 7,132,020</u>	<u>\$ 7,569,177</u>	<u>\$ 17,082,527</u>

See accompanying Notes to Basic Financial Statements.

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
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 - Governmental Funds \$ (3,770,541)

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

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of any cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay 4,567,204

Long-term debt (e.g., bonds, Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is as follows:

Bond Principal Payment 521,000

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 on Bonds - Change in Liability 1,259
Cost of Refunding Amortization (21,574)

Change in Net Position of Governmental Activities \$ 1,297,348

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 104,524	\$ 102,251	\$ (2,273)
Specific Ownership Taxes	5,226	5,428	202
Interest Income	30,000	105,941	75,941
Payments in Lieu of Taxes	307,630	307,630	-
Total Revenues	<u>447,380</u>	<u>521,250</u>	<u>73,870</u>
EXPENDITURES			
Accounting	39,000	27,057	11,943
Audit	5,500	5,500	-
Contingency	128,455	-	128,455
County Treasurer's Fees	1,045	1,021	24
Denver Annual Fee	3,000	3,000	-
District Management	21,000	16,361	4,639
Dues and Licenses	1,000	540	460
Election	3,000	1,865	1,135
Insurance	7,500	7,054	446
Landscaping	25,000	6,060	18,940
Legal	23,500	26,722	(3,222)
Miscellaneous	4,500	4,000	500
Repairs and Maintenance	15,000	25,362	(10,362)
Snow Removal	25,000	7,393	17,607
Utilities	7,500	2,959	4,541
Total Expenditures	<u>310,000</u>	<u>134,894</u>	<u>175,106</u>
NET CHANGE IN FUND BALANCE	137,380	386,356	248,976
Fund Balance - Beginning of Year	<u>1,966,942</u>	<u>1,994,974</u>	<u>28,032</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,104,322</u></u>	<u><u>\$ 2,381,330</u></u>	<u><u>\$ 277,008</u></u>

See accompanying Notes to Basic Financial Statements.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 DEFINITION OF REPORTING ENTITY

Denver International Business Center Metropolitan District No. 1 (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 the City and County of Denver, Colorado recorded on November 18, 1994, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District is located entirely within the City and County of Denver, Colorado.

The District was established to finance and construct certain public infrastructure improvements that benefit the District.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
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 and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

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

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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

Capital Assets

Capital assets, which include infrastructure assets, are reported in the applicable governmental activities column 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.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows 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 (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 amounts are incurred.

Deferred Inflows of Resources

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

Amortization

Cost of Bond Refunding

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

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.

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

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

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:

Cash and Investments	\$ 2,382,515
Cash and Investments - Restricted	<u>14,757,994</u>
Total Cash and Investments	<u><u>\$ 17,140,509</u></u>

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

Deposits with Financial Institutions	\$ 5,721
Investments	<u>17,134,788</u>
Total Cash and Investments	<u><u>\$ 17,140,509</u></u>

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, the District's cash deposits had a bank and carrying balance of \$5,721.

Investments

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

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

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

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

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

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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	<u>\$ 17,134,788</u>

COLOTRUST

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

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

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

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.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
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 - December 31, 2022	Increases	Decreases	Balance - December 31, 2023
Capital Assets, Not Being Depreciated:				
Landscaping	\$ 506,865	\$ -	\$ -	\$ 506,865
Land	3,315,000	-	-	3,315,000
Construction in Progress	14,347,022	4,567,204	-	18,914,226
Total Capital Assets, Not Being Depreciated	18,168,887	4,567,204	-	22,736,091
Capital Assets, Being Depreciated:				
Monument Wall	184,061	-	-	184,061
Total Capital Assets, Being Depreciated	184,061	-	-	184,061
Less Accumulated Depreciation For:				
Monument Wall	184,061	-	-	184,061
Total Accumulated Depreciation	184,061	-	-	184,061
Total Capital Assets, Being Depreciated, Net	-	-	-	-
Governmental Activities Capital Assets, Net	<u>\$ 18,168,887</u>	<u>\$ 4,567,204</u>	<u>\$ -</u>	<u>\$ 22,736,091</u>

Upon completion and acceptance, all capital assets except for the landscaping and the monument wall will be conveyed by the District to other local governments. The District will not be responsible for maintenance.

NOTE 5 LONG-TERM OBLIGATIONS

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

	Balance - December 31, 2022	Additions	Retirements	Balance - December 31, 2023	Due Within One Year
Governmental Activities:					
General Obligation					
Bonds Payable:					
Series 2019A	\$ 4,620,000	\$ -	\$ 1,000	\$ 4,619,000	\$ 4,000
Series 2019B	32,015,000	-	-	32,015,000	50,000
Series 2020	10,515,000	-	520,000	9,995,000	545,000
Total	<u>\$ 47,150,000</u>	<u>\$ -</u>	<u>\$ 521,000</u>	<u>\$ 46,629,000</u>	<u>\$ 599,000</u>

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

\$4,620,000 Series 2019A General Obligation Bonds and \$32,015,000 Subordinate Series 2019B Limited Tax General Obligation Bonds

On May 22, 2019, the District issued \$4,620,000 General Obligation Bonds, Series 2019A (2019A Bonds) and \$32,015,000 Subordinate Limited Tax General Obligation Bonds, Series 2019B (2019B Bonds and together with the 2019A Bonds, the 2019 Bonds). Proceeds from the sale of the 2019 Bonds will be used for the purposes of funding the costs of and reimbursing the Developer and its affiliates for advances made to the District for capital improvements and purchasing land. Further proceeds will be used to fund: (a) the Senior Reserve Fund, (b) the Subordinate Reserve Fund, (c) the costs of issuing the 2019 Bonds, and (d) a portion of the interest to accrue on the 2019B Bonds.

The 2019A Bonds are subject to mandatory sinking fund redemption commencing on December 1, 2023. The Series 2019A Bonds maturing on and after December 1, 2028 are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, on June 1, 2024, and on any date thereafter, upon payment of par and accrued interest, without redemption premium. The 2019A Bonds are secured by: (a) all Senior Property Tax Revenues, and (b) any other legal available monies which the District determines, in its absolute discretion, to credit to the Senior Bond Fund. The 2019A Bonds are further secured by the Senior Reserve Requirement in the amount of \$191,691.

The 2019B Bonds, maturing on December 1, 2048, are subject to mandatory sinking fund redemption commencing on December 1, 2024. The 2019B Bonds are secured by: (a) all Subordinate Property Tax Revenues; (b) all PILOT Revenue; (c) all Specific Ownership Tax Revenues; and (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund. A portion of the interest on the 2019B Bonds will be paid from capitalized interest to be funded with proceeds of the 2019B Bonds in the amount of \$5,762,700. The 2019B Bonds are further secured by the Subordinate Reserve Requirement in the amount of \$3,201,500 and amounts on deposit in the Subordinate Surplus Fund up to the Maximum Surplus Amount of \$3,201,500.

Interest on the 2019A Bonds is payable semi-annually on June 1, and December 1, each year commencing December 1, 2019. Interest on the 2019B Bonds is payable annually, to the extent Subordinate Pledged Revenue is available, on December 1, each year commencing on December 1, 2019.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

\$11,495,000 Series 2020 General Obligation Refunding Bonds

On September 3, 2020 the District issued General Obligation Refunding Bonds in the amount of \$11,495,000 (2020 Bonds). Proceeds from the sale of the 2020 Bonds were used to (a) refund the outstanding Series 2010 Bonds, (b) fund the 2020 Reserve Fund, and (c) pay costs in connection with the issuance of the 2020 Bonds.

The 2020 Bonds bear interest at rate of 2.9%, payable semi-annually to the extent of Pledged Revenue available on June 1 and December 1, beginning on December 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The 2020 Bonds mature on December 1, 2035.

The 2020 Bonds are payable with the following Pledged Revenue:

- (a) all Property Tax Revenues; and
- (b) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

The 2020 Bonds are further secured by the Reserve Requirement in the amount of \$1,149,500. The Reserve Fund is expected to be maintained as a continuing reserve for the payment of principal and interest on the Bonds.

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

<u>Year Ending December 31,</u>	<u>Series 2019A, 2019B, and 2020 Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 599,000	\$ 2,392,512	\$ 2,991,512
2025	620,000	2,373,588	2,993,588
2026	700,000	2,354,362	3,054,362
2027	720,000	2,331,268	3,051,268
2028	810,000	2,308,522	3,118,522
2029-2033	4,885,000	11,096,963	15,981,963
2034-2038	8,490,000	9,881,275	18,371,275
2039-2043	10,915,000	7,404,500	18,319,500
2044-2048	18,890,000	3,787,600	22,677,600
Total	<u>\$ 46,629,000</u>	<u>\$ 43,930,590</u>	<u>\$ 90,559,590</u>

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Authorization

As of December 31, 2023, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Authorized November 7, 2017 Election	Authorization Used Series 2019A	Authorization Used Series 2019B	Authorization Used Series 2020	Remaining at December 31, 2023
Street Improvements	\$ 120,000,000	\$ 660,000	\$ 4,573,572	\$ -	\$ 114,766,428
Parks and Recreation	120,000,000	660,000	4,573,572	-	114,766,428
Water	120,000,000	660,000	4,573,572	-	114,766,428
Sanitation/Storm Sewer	120,000,000	660,000	4,573,571	-	114,766,429
Transportation	120,000,000	660,000	4,573,571	-	114,766,429
Traffic and Safety Protection	120,000,000	660,000	4,573,571	-	114,766,429
TV Relay and Translation	120,000,000	660,000	4,573,571	-	114,766,429
Operations and Maintenance	120,000,000	-	-	-	120,000,000
Refunding of Debt	120,000,000	-	-	11,495,000	108,505,000
Governmental IGA's	120,000,000	-	-	-	120,000,000
Regional Improvements	768,000,000	-	-	-	768,000,000
Total	<u>\$ 1,968,000,000</u>	<u>\$ 4,620,000</u>	<u>\$ 32,015,000</u>	<u>\$ 11,495,000</u>	<u>\$ 1,919,870,000</u>

Pursuant to the Amended and Restated Service Plan, the District is permitted to issue bond indebtedness of up to \$500,000,000.

NOTE 6 NET POSITION

The District has net position consisting of two components – restricted and unrestricted.

Restricted net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position of \$15,700 as of December 31, 2023 for emergencies and \$2,389,953 for Debt Service.

The District has a deficit in unrestricted net position. The deficit at December 31, 2023 was primarily a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 AGREEMENTS

Project Management Agreement

On June 4, 2008, L.C. Fulenwider, Inc (Fulenwider) and the District entered into a Project Management Agreement under which Fulenwider agreed to provide project management services for the construction and installation of certain public infrastructure improvements (Project Management Agreement). The District shall pay Fulenwider 4% of the actual costs of the improvements. Fulenwider shall submit a monthly statement for all fees payable. The term of the Project Management Agreement is for one year and shall renew annually thereafter for a period of 20 years, unless either Party gives written notice of termination 90 days in advance of the end of the current term.

Agreement Regarding Payments in Lieu of Taxes

The District and FlightSafety International Inc. (FlightSafety), entered into an Agreement Regarding Payments in Lieu of Taxes, effective July 9, 2015 (PILOT Agreement). The PILOT Agreement sets forth the terms under which the District is to design and construct Off-Site Improvements (as defined in the PILOT Agreement) and the District's agreement that the Property owned by FlightSafety (as defined in the PILOT Agreement) will not be included into the District's boundaries or subject to tax or assessment by the District. In turn, FlightSafety (and future owners of the property) agree to pay an annual fee to the District, in lieu of the annual taxes and assessments that the District would impose on the Property if the District were to include the Property into the District Boundaries. On June 24, 2022, the District and FlightSafety entered in an Amendment to the PILOT Agreement to modify the legal description of the Property.

Intergovernmental Agreement Regarding Cost Sharing of Pena Station Filing No. 2 and DIBC Filing No. 7 Improvements (Cost Sharing IGA)

On May 19, 2020, the District entered into the Cost Sharing IGA with Aviation Station North Metropolitan District No. 1 (ASN1) whereas the District and ASN1 will share the costs of the Pena Station Filing No. 2 and DIBC Filing No. 7 Improvements project. Total construction costs total \$26,059,945 with the District's share being \$6,968,235, ASN1's share being \$18,029,128, and District non-eligible costs of \$1,062,582. As of December 31, 2023, there was no amount owed to ASN1 under this IGA.

Declaration of Restrictions and Covenants

The District and DIBC Commercial, LLC (Commercial) entered into a Declaration of Restrictions and Covenants effective July 9, 2015 (Declaration) pursuant to which Commercial agreed to impose an annual payment in lieu of taxes in an amount as set forth in the Declaration (Annual Fee) upon certain property to ensure the property contributes fairly to the payment of the costs of Public Improvements (as defined in the Declaration). On June 24, 2022, the District and Commercial entered into an Amendment to the Declaration to (i) revise the legal description of the property subject to the Declaration, (ii) revise the definition of Annual Fee, and (iii) address additional termination events with respect to the Declaration.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 AGREEMENTS (CONTINUED)

Facilities Funding and Acquisition Agreement

On September 13, 2017, the District entered into a Facilities Funding and Acquisition Agreement (the Agreement) with Fulenwider. According to the Agreement, Fulenwider agrees to advance funds to the District for Construction Related Expenses (as defined in the Agreement) up to a shortfall amount of \$2,000,000 and the District agrees to reimburse Fulenwider for the total advances, plus interest at 7% per annum from the date the funds were advanced to the District. The District's obligation to repay Fulenwider shall be contingent on the District having revenue available after payment of all of its obligations and responsibilities. Any payments made by the District shall first be applied to accrued interest and then to principal. On September 13, 2017, Fulenwider entered into a Collateral Assignment of Right to Reimbursement under the Agreement with MidFirst Bank.

On December 5, 2018, the District and Fulenwider entered into a First Amendment to the Agreement to increase the shortfall amount to \$10,000,000 and to extend the term of the Agreement through 2018. Subsequently, on May 6, 2019, the District and Fulenwider entered into a Second Amendment to the Agreement to delete any limitation on the date by which the shortfall amount is required to be advanced. All capital advances and related accrued interest were repaid to the Developer during 2019.

Facilities Acquisition Agreement

On December 6, 2017, the District, Commercial, and DIBC Hotel Conference, LLC (Hotel and together with Commercial, collectively, the Owner) entered into a Facilities Acquisition Agreement (Acquisition Agreement). The Acquisition Agreement sets forth the respective rights, obligations and procedures with respect to the District's acquisition of Owner-Constructed Improvements and real property and reimbursement of the Owner as provided therein. On May 24, 2018, the District and Owner entered into a First Amendment to Acquisition Agreement (First Amendment), to reflect that the District shall incur a reimbursement obligation thereunder to Owner in the amount of Three Million Three Hundred Fifteen Thousand Dollars (\$3,315,000) which represents the appraised value of the Property (as defined in the First Amendment).

Intercreditor Agreement

On December 6, 2017, the District, Fulenwider, Commercial, Hotel and Fully's Bonds, LLC entered into an Intercreditor Agreement, to establish certain understandings and agreements with respect to the priority of reimbursements that the District will be paying to Fulenwider, Commercial, Hotel and Fully's pursuant to various agreements that have been entered into by and among the District and each of the aforementioned entities.

NOTE 8 RELATED PARTIES

Fulenwider is the developer of the property and the majority of undeveloped land within the District is owned by entities affiliated with Fulenwider. All members of the Board of Directors are employees, owners, or otherwise associated with Fulenwider, and may have conflicts of interest in dealing with the District.

DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S., the District may be exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

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

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

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to 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.

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 8, 2016, the District's voters approved for an annual increase in taxes of \$5,000,000 for general operations and maintenance without limitation of rate. This election question allowed the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within TABOR.

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

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 2,351,789	\$ 2,300,641	\$ (51,148)
Specific Ownership Taxes	117,589	122,141	4,552
Interest Income	120,000	431,989	311,989
Total Revenues	<u>2,589,378</u>	<u>2,854,771</u>	<u>265,393</u>
EXPENDITURES			
County Treasurer's Fees	23,518	22,976	542
Bond Interest - Series 2019A	181,788	181,788	-
Bond Interest - Series 2019B	1,920,900	1,920,900	-
Bond Interest - Series 2020	304,935	304,935	-
Bond Principal - Series 2019A	1,000	1,000	-
Bond Principal - Series 2020	520,000	520,000	-
Paying Agent Fees	11,750	11,750	-
Contingency	1,109	-	1,109
Total Expenditures	<u>2,965,000</u>	<u>2,963,349</u>	<u>1,651</u>
NET CHANGE IN FUND BALANCE	(375,622)	(108,578)	267,044
Fund Balance - Beginning of Year	<u>7,216,531</u>	<u>7,240,598</u>	<u>24,067</u>
FUND BALANCE - END OF YEAR	<u>\$ 6,840,909</u>	<u>\$ 7,132,020</u>	<u>\$ 291,111</u>

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	\$ 100,000	\$ 528,270	\$ 428,270
Total Revenues	<u>100,000</u>	<u>528,270</u>	<u>428,270</u>
EXPENDITURES			
Accounting	6,000	4,151	1,849
Capital Outlay - Filing 8 (Access Road)	1,390,286	147,119	1,243,167
Capital Outlay - Filing 10	5,735,800	4,346,616	1,389,184
Capital Outlay - DIBC LDR	-	73,469	(73,469)
Capital Outlay - DIBC IMP	70,000	-	70,000
Capital Outlay - Monument Sign	40,000	-	40,000
Contingency	2,351,794	-	2,351,794
Engineering	15,000	3,919	11,081
Legal	-	7,250	(7,250)
Total Expenditures	<u>9,608,880</u>	<u>4,582,524</u>	<u>5,026,356</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,508,880)	(4,054,254)	5,454,626
OTHER FINANCING SOURCES (USES)			
Developer Contribution	10,000	5,935	(4,065)
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>5,935</u>	<u>(4,065)</u>
NET CHANGE IN FUND BALANCE	(9,498,880)	(4,048,319)	5,450,561
Fund Balance - Beginning of Year	<u>9,498,880</u>	<u>11,617,496</u>	<u>2,118,616</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 7,569,177</u>	<u>\$ 7,569,177</u>

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023**

\$4,620,000
General Obligation Bonds
Series 2019A
Issue Date May 22, 2019
Interest Rate of 3.00-4.00%
Due June 1 and December 1

<u>Year Ending December 31.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 4,000	\$ 181,757	\$ 185,757
2025	5,000	181,638	186,638
2026	5,000	181,487	186,487
2027	5,000	181,338	186,338
2028	5,000	181,187	186,187
2029	5,000	181,038	186,038
2030	5,000	180,862	185,862
2031	5,000	180,688	185,688
2032	5,000	180,512	185,512
2033	5,000	180,338	185,338
2034	5,000	180,162	185,162
2035	5,000	179,975	184,975
2036	245,000	179,788	424,788
2037	250,000	170,600	420,600
2038	270,000	161,225	431,225
2039	280,000	151,100	431,100
2040	300,000	140,600	440,600
2041	310,000	128,600	438,600
2042	330,000	116,200	446,200
2043	345,000	103,000	448,000
2044	370,000	89,200	459,200
2045	385,000	74,400	459,400
2046	410,000	59,000	469,000
2047	425,000	42,600	467,600
2048	640,000	25,600	665,600
Total	<u>\$ 4,619,000</u>	<u>\$ 3,612,895</u>	<u>\$ 8,231,895</u>

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023**

\$32,015,000 Subordinate Limited Tax
General Obligation Bonds
Series 2019B
Issue Date May 22, 2019
Interest Rate of 6.00%
Due December 1

<u>Year Ending December 31.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 50,000	\$ 1,920,900	\$ 1,970,900
2025	40,000	1,917,900	1,957,900
2026	90,000	1,915,500	2,005,500
2027	60,000	1,910,100	1,970,100
2028	120,000	1,906,500	2,026,500
2029	105,000	1,899,300	2,004,300
2030	155,000	1,893,000	2,048,000
2031	165,000	1,883,700	2,048,700
2032	230,000	1,873,800	2,103,800
2033	230,000	1,860,000	2,090,000
2034	310,000	1,846,200	2,156,200
2035	325,000	1,827,600	2,152,600
2036	1,275,000	1,808,100	3,083,100
2037	1,355,000	1,731,600	3,086,600
2038	1,495,000	1,650,300	3,145,300
2039	1,585,000	1,560,600	3,145,600
2040	1,745,000	1,465,500	3,210,500
2041	1,850,000	1,360,800	3,210,800
2042	2,025,000	1,249,800	3,274,800
2043	2,145,000	1,128,300	3,273,300
2044	2,340,000	999,600	3,339,600
2045	2,475,000	859,200	3,334,200
2046	2,690,000	710,700	3,400,700
2047	2,855,000	549,300	3,404,300
2048	6,300,000	378,000	6,678,000
Total	<u>\$ 32,015,000</u>	<u>\$ 38,106,300</u>	<u>\$ 70,121,300</u>

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023**

\$11,495,000
General Obligation Refunding Bonds
Series 2020
Dated September 3, 2020
Interest Rate of 2.90%
Due June 1 and December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 545,000	\$ 289,855	\$ 834,855
2025	575,000	274,050	849,050
2026	605,000	257,375	862,375
2027	655,000	239,830	894,830
2028	685,000	220,835	905,835
2029	725,000	200,970	925,970
2030	770,000	179,945	949,945
2031	795,000	157,615	952,615
2032	825,000	134,560	959,560
2033	860,000	110,635	970,635
2034	885,000	85,695	970,695
2035	2,070,000	60,030	2,130,030
Total	<u>\$ 9,995,000</u>	<u>\$ 2,211,395</u>	<u>\$ 12,206,395</u>

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
SCHEDULE 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	Mills Levied		Total Property Taxes		Percentage Collected to Levied
		General	Debt Service	Levied	Collected	
2019	\$ 31,795,040	16.712	27.463	\$ 1,404,546	\$ 1,402,051	99.82 %
2020	44,283,380	2.000	45.000	2,081,319	2,080,458	99.96
2021	50,874,100	2.000	45.000	2,391,083	2,382,891	99.66
2022	48,971,580	2.000	45.000	2,301,664	2,191,913	95.23
2023	52,261,980	2.000	45.000	2,456,313	2,402,892	97.83
Estimated for the Year Ending <u>December 31,</u> 2024	\$ 75,617,210	2.000	46.893	\$ 3,697,152		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years, as well as reductions for property tax refunds or abatements. Information received from the County Treasurer does not permit identification of specific year of assessment.

ANNUAL DISCLOSURE

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
ANNUAL DISCLOSURE
ASSESSED AND ACTUAL VALUATION OF CLASSES OF PROPERTY
IN THE DISTRICT AND FLIGHTSAFETY PARCEL
DECEMBER 31, 2023**

Property Description	Assessed Valuation	Actual Valuation
Commercial	\$ 60,971,980	\$ 219,227,500
Vacant Land	1,112,940	3,989,200
State Assessed	1,005,980	-
Other	12,526,310	15,400
Total	<u>\$ 75,617,210</u>	<u>\$ 223,232,100</u>
FlightSafety Parcel	<u>\$ 7,636,400</u>	<u>\$ 27,400,600</u>

**DENVER INTERNATIONAL BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
ANNUAL DISCLOSURE
DISTRICT LARGEST TAXPAYERS
DECEMBER 31, 2023**

Taxpayer	Assessed Valuation
YAMPA HOTEL OWNER LLC	\$ 9,315,360
HH DENVER LLC	6,878,580
FLIGHT SAFETY INTERNATIONAL	6,329,690
DIA YAMPA STREET DEVELOPMENT LLC	5,737,940
ARC HOSPITALITY SMT FIDENCO OWNER LLC	4,419,140
TODAY'S V INC	3,799,870
CAVALIER COLORADO LP	3,560,200
ARC HOSPITALITY SMT SHS DENCO OWNER LLC	3,488,700
JC HOSPITALITY LLC	3,129,490
YAMPA VII LLC	2,420,380