

**INTERQUEST NORTH BUSINESS
IMPROVEMENT DISTRICT
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2019

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2019**

INDEPENDENT AUDITOR’S REPORT	1
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	21
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	22
OTHER INFORMATION	
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY	24
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	25



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Interquest North Business Improvement District
Colorado Springs, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Interquest North Business Improvement District ("District"), a component unit of the City of Colorado Springs, Colorado, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2019, and the changes in its 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.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BiggsKofford, P.C.

Colorado Springs, Colorado
March 27, 2020

BASIC FINANCIAL STATEMENTS

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

ASSETS

Cash and Investments	\$ 533,315
Cash and Investments - Restricted	788,055
Receivable - County Treasurer	14,236
Receivable - PIF	71,555
Property Taxes Receivable	1,352,445
Capital Assets, Net	<u>9,414,191</u>
Total Assets	<u>12,173,797</u>

LIABILITIES

Accounts Payable	73,926
Accrued Interest Payable	66,786
Noncurrent Liabilities:	
Due Within One Year	150,000
Due in More Than One Year	<u>11,869,200</u>
Total Liabilities	<u>12,159,912</u>

DEFERRED INFLOWS OF RESOURCES

Property Tax Revenue	<u>1,352,445</u>
Total Deferred Inflows of Resources	<u>1,352,445</u>

NET POSITION

Net Investment in Capital Assets	(1,123,668)
Restricted for:	
Emergency Reserves	5,900
Debt Service	784,698
Unrestricted	<u>(1,005,490)</u>
Total Net Position	<u><u>\$ (1,338,560)</u></u>

See accompanying Notes to Basic Financial Statements.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 501,502	\$ -	\$ -	\$ -	\$ (501,502)
Public Works - Transfer of Capital Improvements to Other Governments	102,163	-	-	-	(102,163)
Interest on Long-Term Debt and Related Costs	895,544	-	-	-	(895,544)
	<u>\$ 1,499,209</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,499,209)</u>
 GENERAL REVENUES					
Property Taxes					1,304,077
Specific Ownership Taxes					157,884
Public Improvement Fees					796,385
Net Investment Income					89,529
Other Revenue					235
Total General Revenues					<u>2,348,110</u>
 CHANGE IN NET POSITION					
					848,901
Net Position - Beginning of Year					<u>(2,187,461)</u>
 NET POSITION - END OF YEAR					
					<u>\$ (1,338,560)</u>

See accompanying Notes to Basic Financial Statements.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 533,315	\$ -	\$ -	\$ 533,315
Cash and Investments - Restricted	5,900	779,929	2,226	788,055
Accounts Receivable - County Treasurer	14,236	-	-	14,236
Receivable - PIF	-	71,555	-	71,555
Property Taxes Receivable	26,519	1,325,926	-	1,352,445
Total Assets	\$ 579,970	\$ 2,177,410	\$ 2,226	\$ 2,759,606
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 71,700	\$ -	\$ 2,226	\$ 73,926
Total Liabilities	71,700	-	2,226	73,926
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	26,519	1,325,926	-	1,352,445
Total Deferred Inflows of Resources	26,519	1,325,926	-	1,352,445
FUND BALANCES				
Restricted for:				
Emergency Reserves (TABOR)	5,900	-	-	5,900
Debt Service	-	851,484	-	851,484
Unassigned:	475,851	-	-	475,851
Total Fund Balances	481,751	851,484	-	1,333,235
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 579,970	\$ 2,177,410	\$ 2,226	
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 as assets in the funds.				\$ 9,414,191
Long-term liabilities, including bonds payable and Developer advance payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.				
Bonds Payable				(10,525,000)
Accrued Interest Payable - Bonds				(66,786)
Developer Advance				(1,480,850)
Accrued Interest Payable - Developer Advance				(13,350)
Net Position of Governmental Activities				\$ (1,338,560)

See accompanying Notes to Basic Financial Statements.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019**

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 25,570	\$ 1,278,507	\$ -	\$ 1,304,077
Specific Ownership Taxes	157,884	-	-	157,884
Public Improvement Fees	-	796,385	-	796,385
Net Investment Income	9,746	79,783	-	89,529
Other Revenue	235	-	-	235
Total Revenues	<u>193,435</u>	<u>2,154,675</u>	<u>-</u>	<u>2,348,110</u>
EXPENDITURES				
Current:				
Accounting	24,991	-	726	25,717
Audit	3,600	-	-	3,600
Engineering	-	-	1,500	1,500
County Treasurer's Fee	383	19,178	-	19,561
PIF Collection Expense	9,608	-	-	9,608
Dues	493	-	-	493
Insurance	1,832	-	-	1,832
District Management	8,373	-	-	8,373
Legal	46,609	-	-	46,609
Miscellaneous	414	-	-	414
Security	5,600	-	-	5,600
Contingency	-	-	-	-
Operations and Maintenance	43,190	-	-	43,190
Debt Service:				
Bond Principal	-	135,000	-	135,000
Bond Interest	-	812,400	-	812,400
Capital Projects:				
Capital Outlay	-	-	1,480,019	1,480,019
Total Expenditures	<u>145,093</u>	<u>966,578</u>	<u>1,482,245</u>	<u>2,593,916</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	48,342	1,188,097	(1,482,245)	(245,806)
OTHER FINANCING SOURCES (USES)				
Developer Advances	-	-	1,480,019	1,480,019
Repayment of Developer Advance - Principal	-	-	(3,026,451)	(3,026,451)
Transfers from (to) Other Funds	46,565	(3,075,242)	3,028,677	-
Total Other Financing Sources (Uses)	<u>46,565</u>	<u>(3,075,242)</u>	<u>1,482,245</u>	<u>(1,546,432)</u>
NET CHANGE IN FUND BALANCES				
	94,907	(1,887,145)	-	(1,792,238)
Fund Balances - Beginning of Year	<u>386,844</u>	<u>2,738,629</u>	<u>-</u>	<u>3,125,473</u>
FUND BALANCES - END OF YEAR				
	<u>\$ 481,751</u>	<u>\$ 851,484</u>	<u>\$ -</u>	<u>\$ 1,333,235</u>

See accompanying Notes to Basic Financial Statements.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

Net Change in Fund Balances - Total Governmental Funds \$ (1,792,238)

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

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense, the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Capital outlay, the conveyance of capital assets to other governments and depreciation expense in the current period are as follows:

Capital Outlay	1,480,019
Dedication of Capital Improvements to Other Governments	(102,163)
Depreciation Expense	(354,183)

The issuance of long-term debt (e.g., bonds, the receipt of 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 issuance costs, 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 is the treatment of long-term debt and related items as follows:

Developer Advance	(1,480,019)
Repayment of Developer Advance - Principal	865,925
Bond Principal Payment	135,000

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 Payable - Change in Liability	914
Accrued Interest on Developer Advances - Change in Liability	2,095,646

Change in Net Position of Governmental Activities \$ 848,901

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Budgets		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 25,570	\$ 25,570	\$ 25,570	\$ -
Specific Ownership Taxes	156,489	156,489	157,884	1,395
Net Investment Income	6,640	6,640	9,746	3,106
Other Revenue	-	-	235	235
Total Revenues	<u>188,699</u>	<u>188,699</u>	<u>193,435</u>	<u>4,736</u>
EXPENDITURES				
General and Administrative				
Accounting	22,500	22,500	24,991	(2,491)
Audit	3,600	3,600	3,600	-
County Treasurer's Fee	384	383	383	-
PIF Collection Expense	9,000	9,000	9,608	(608)
Dues	330	493	493	-
Insurance	1,812	1,832	1,832	-
District Management	7,250	4,000	8,373	(4,373)
Legal	18,000	48,000	46,609	1,391
Miscellaneous	700	375	414	(39)
Security	-	27,826	5,600	22,226
Contingency	1,374	4,817	-	4,817
Operations and Maintenance				
Repairs and Maintenance	-	312	-	312
Landscape Maintenance	-	28,483	4,481	24,002
Common Area	-	1,435	545	890
Management Fees	-	49,027	16,031	32,996
Marketing	-	18,846	115	18,731
Management Staff	-	6,951	1,887	5,064
Electrical Repairs	-	1,558	511	1,047
Light Bulbs	-	2,430	1,204	1,226
Other Grounds Expense	-	9,628	2,027	7,601
Snow Removal	-	9,295	5,357	3,938
Parking Lot/Sidewalk R&M	-	52,011	5,645	46,366
Signage	-	2,364	-	2,364
Electricity	-	9,859	1,144	8,715
Water & Sewer	-	15,944	3,439	12,505
Stormwater	-	767	804	(37)
Total Expenditures	<u>64,950</u>	<u>331,736</u>	<u>145,093</u>	<u>186,643</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	123,749	(143,037)	48,342	191,379
OTHER FINANCING SOURCES (USES)				
Transfers from (to) Other Funds	-	236,736	46,565	(190,171)
Total Other Financing Sources (Uses)	<u>-</u>	<u>236,736</u>	<u>46,565</u>	<u>(190,171)</u>
NET CHANGE IN FUND BALANCE	123,749	93,699	94,907	1,208
Fund Balance - Beginning of Year	<u>374,505</u>	<u>386,844</u>	<u>386,844</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 498,254</u>	<u>\$ 480,543</u>	<u>\$ 481,751</u>	<u>\$ 1,208</u>

See accompanying Notes to Basic Financial Statements.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 DEFINITION OF REPORTING ENTITY

Interquest North Business Improvement District (the District), a quasi-municipal corporation was organized by ordinance of the city of Colorado Springs (the City) on October 26, 2004, and is governed pursuant to provisions of the Colorado Business Improvement Act (Title 31). The District's service area is located entirely within the City in El Paso County, Colorado. The District was organized to provide the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided by the District include parking facilities, roadways, lighting, driveways, public utilities and landscaping.

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's annual budget is required to be submitted to and approved by the City, thus enabling the City to impose its will on the District. Consequently, the District is considered to be a component unit of the City.

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.

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

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for 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.

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 revenues susceptible to accrual are property taxes and public improvement fees. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

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

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

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

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

Pooled Cash and Investments

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

Property Taxes

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

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. streets), 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.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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 net investment in capital assets component of the District's net position.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Streets	30 Years
Storm Drainage	30 Years

Deferred Inflow of Resources

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

Equity

Net Position

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

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.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

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

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2019 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 533,315
Cash and Investments - Restricted	<u>788,055</u>
Total Cash and Investments	<u><u>\$ 1,321,370</u></u>

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

Deposits with Financial Institutions	\$ 41,290
Investments	<u>1,280,080</u>
Total Cash and Investments	<u><u>\$ 1,321,370</u></u>

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

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

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

At December 31, 2019, the District's cash deposits had a bank balance of \$41,290 and a carrying balance of \$41,290.

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 and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2019, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted Average Under 60 Days	<u>\$ 1,280,080</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 CAPITAL ASSETS

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

	Balance at December 31, 2018	Increases	Decreases	Balance at December 31, 2019
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Water	\$ -	\$ 99,711	\$ 99,711	\$ -
Park and Recreation	-	2,452	2,452	-
Total Capital Assets, Not Being Depreciated	-	102,163	102,163	-
Capital Assets, Being Depreciated:				
Streets	\$ 9,848,062	\$ 776,204	\$ -	\$ 10,624,266
Storm Drainage	600,000	601,652	-	1,201,652
Total Capital Assets, Being Depreciated	10,448,062	1,377,856	-	11,825,918
Less Accumulated Depreciation for:				
Streets	(2,015,884)	(331,601)	-	(2,347,485)
Storm Drainage	(41,660)	(22,582)	-	(64,242)
Total Accumulated Depreciation	(2,057,544)	(354,183)	-	(2,411,727)
Total Capital Assets Being Depreciated, Net	8,390,518	1,023,673	-	9,414,191
Capital Assets, Net	\$ 8,390,518	\$ 1,125,836	\$ 102,163	\$ 9,414,191

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

Governmental Activities:	
General Government	\$ 354,183
Total Depreciation Expense - Governmental Activities	\$ 354,183

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

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, 2019:

	Balance at December 31, 2018	Additions	Retirements	Balance at December 31, 2019	Due Within One Year
Series 2010 General Obligation Bonds	\$ 5,975,000	\$ -	\$ 110,000	\$ 5,865,000	\$ 120,000
Series 2016 General Obligation Bonds	4,685,000	-	25,000	4,660,000	30,000
Developer Advances	866,756	1,480,019	865,925	1,480,850	-
Interest on Developer Advances	2,108,996	64,880	2,160,526	13,350	-
Total	<u>\$ 13,635,752</u>	<u>\$ 1,544,899</u>	<u>\$ 3,161,451</u>	<u>\$ 12,019,200</u>	<u>\$ 150,000</u>

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

\$6,500,000 Limited Tax General Obligation Bonds, Series 2010

On December 3, 2010, the District issued \$6,500,000 in Limited Tax General Obligation Bonds (Series 2010 Bonds) dated December 3, 2010, for street improvements. The Series 2010 Bonds bear interest at a rate of 8.5% and are due December 1, 2040. Bond interest and principal payments are payable annually on December 1. Any accrued and unpaid interest will compound on December 1 of each year. The Series 2010 Bonds are subject to redemption prior to maturity, at the option of the District, without redemption premium.

\$4,765,000 Series Limited Tax General Obligation Bonds, Series 2016

On June 8, 2016, the District issued \$4,765,000 in Limited Tax General Obligation Bonds (Series 2016 Bonds). The Series 2016 Bonds mature on December 1, 2045, and bear an interest rate of 6.5% paid annually on December 1, with an optional call date on December 1, 2025. The first principal and interest payments are due on December 1, 2016. The proceeds from the Series 2016 Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

The Series 2010 Bonds and the Series 2016 Bonds are secured by and payable from Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the PIF Revenue, and 3) any other legally available monies that the District determines to be treated as Pledged Revenue. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the bonds as the same become due and payable. The maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. As of December 31, 2019, the adjusted maximum mill levy is 50.000 for debt service. For collection year 2019, the District levied 50.000 mills for debt service. PIF Revenue means the revenue derived from the imposition of the PIF and payable to the District pursuant to the PIF Covenant.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 150,000	\$ 801,425	\$ 951,425
2021	160,000	789,275	949,275
2022	175,000	776,275	951,275
2023	185,000	762,100	947,100
2024	205,000	747,075	952,075
2025-2029	1,295,000	3,457,800	4,752,800
2030-2034	1,910,000	2,837,900	4,747,900
2035-2039	2,810,000	1,929,875	4,739,875
2040-2044	2,970,000	799,225	3,769,225
2045	665,000	43,225	708,225
Total	<u>\$ 10,525,000</u>	<u>\$ 12,944,175</u>	<u>\$ 23,469,175</u>

Authorized Debt

On November 2, 2004, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$9,900,000 at an interest rate not to exceed 12% per annum. On November 1, 2005, the District's electors authorized additional indebtedness of \$3,100,000 at an interest rate not to exceed 12% per annum. On November 6, 2018, the District's electors authorized additional indebtedness of \$225,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2019, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	<u>Authorized November 2, 2004 Election</u>	<u>Authorized November 1, 2005 Election</u>	<u>Authorized November 6, 2018 Election</u>	<u>Authorization Used - Series 2010 Bonds</u>	<u>Authorization Used - Series 2016 Bonds</u>	<u>Remaining at December 31, 2019</u>
Streets	\$ 9,900,000	\$ -	\$ 25,000,000	\$ 6,500,000	\$ 2,639,900	\$ 25,760,100
Water	-	2,500,000	25,000,000	-	1,525,100	25,974,900
Storm Drainage	-	600,000	25,000,000	-	600,000	25,000,000
Traffic and Safety	-	-	25,000,000	-	-	25,000,000
Parks & Recreation	-	-	25,000,000	-	-	25,000,000
Security	-	-	25,000,000	-	-	25,000,000
Operations & Maintenance	-	-	25,000,000	-	-	25,000,000
Refunding Debt	-	-	25,000,000	-	-	25,000,000
Reimbursement Agreements	-	-	25,000,000	-	-	25,000,000
Total	<u>\$ 9,900,000</u>	<u>\$ 3,100,000</u>	<u>\$ 225,000,000</u>	<u>\$ 6,500,000</u>	<u>\$ 4,765,000</u>	<u>\$ 226,735,000</u>

Per approval of the City Council on October 23, 2018 the City has increased the amount of debt to be issued by the District from \$13,000,000 to a total of \$25,000,000, without future approval by the City.

Developer Advances

The District entered into a Facilities Funding and Reimbursement Agreement (Agreement) with the Developer (see Note 7). The District agrees to repay the Developer along with accrued interest, at a rate of 7% on the first day of the following year in which the advances were made. The Agreement does not constitute a multiple-fiscal year obligation.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances (Continued)

During 2010, an independent engineer certified \$12,427,631 of public improvements constructed by the Developer on behalf of the District. The principal amount of these improvements was recorded by the District as bonds were issued. During 2016, the accrued interest associated with these improvements was recognized by the District, along with additional improvements accepted by the District in 2016. During 2019, an independent engineer certified \$1,480,019 of public improvements constructed by the Developer on behalf of the District. In 2019, the District repaid \$3,026,451 of outstanding Developer advances, comprised of \$865,925 in principal, and \$2,160,526 in accrued interest. As of December 31, 2019, outstanding Developer advances totaled \$1,480,850 and accumulated accrued interest totaled \$13,350.

NOTE 6 NET POSITION

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2019, the District had net investment in capital assets calculated as follows:

Net Investment in Capital Assets:

Capital Assets, Net	\$ 9,414,191
Current Portion of Outstanding Long-Term Obligations	(131,659)
Noncurrent Portion of Outstanding Long-Term Obligations	(10,406,200)
Net Investment in Capital Assets	\$ (1,123,668)

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 as of December 31, 2019 as follows:

Restricted Net Position:

Emergency Reserves (see Note 11)	\$ 5,900
Debt Service (see Note 5)	784,698
Total Restricted Net Position	\$ 790,598

The District's unrestricted net position as of December 31, 2019 is \$(1,005,490). This deficit amount is a result of the District being responsible for the repayment of developer advances (and accrued interest on those advances) and bonds issued for public improvements, some of which have been transferred to other governmental entities for ownership and maintenance.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 7 RELATED PARTIES

The Developer of the property which constitutes the District is Nor'wood Development Group. The members of the Board of Directors are officers of, employees of, or associated with the Developer and may have conflicts of interest in dealing with the District.

NOTE 8 AGREEMENTS AND COMMITMENTS

Interquest Marketplace Public Improvement Fee Covenant Agreement

On March 7, 2008, Interquest North LLC and Interquest Marketplace LLC entered into an agreement that authorized the Declaration of Covenants imposing and implementing the Interquest Marketplace Public Improvement Fee (PIF), naming the District as the collection agent and the recipient of such fees. The PIF, in the amount of 1.25%, is imposed on certain retail sales transactions occurring within the Interquest Marketplace PIF property area, upon which a sales tax would be payable to the State pursuant to the provisions of the State Sales Tax Statutes. The collection of the PIF revenues will be used by the District for the repayment of public improvement costs, as may be required to fulfill any bond requirements. During 2019, the District recorded \$796,385 in PIF revenue.

Ground Lease

On December 1, 2010, the District entered into a lease agreement with Interquest Marketplace LLC to lease an area within the Demised Premises, for the purpose of public parking, traffic and pedestrian circulation areas, landscaping, utilities, signage, drainage, sidewalks, pedestrian ways, public art, shelters, bus stops, ramps and curbs, and other similar facilities and for public events, festivals, recreation, concerts, and other public uses and services. This agreement does not represent a multi-fiscal year obligation and renews annually at the option of the District at the rate of \$100 per year upon appropriation in the District's annual budget. The lease agreement will expire on December 31, 2050.

NOTE 9 INTERFUND TRANSFERS

The transfer from the general fund to the capital projects fund was to fund certain operating expenditures. The transfer from the debt service fund to the general fund was to provide funding for operations and maintenance of certain public improvements. The transfer from the debt service fund to the capital projects fund was to provide funding for reimbursement of public improvements.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 10 RISK MANAGEMENT

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

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

The District pays annual premiums to the Pool for liability, property 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 11 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations 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.

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.

On November 6, 2018, the District's voters authorized the District to increase property taxes \$25,000,000 annually, adjusted for inflation plus annual local growth in each subsequent fiscal year thereafter, at a mill levy rate not to exceed one mill for general operations and maintenance.

The election also allows the District to collect, spend, and retain all revenues without regard to the limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR).

SUPPLEMENTARY INFORMATION

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DECEMBER 31, 2019**

	Budgets		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Property Taxes	\$ 1,278,507	\$ 1,278,545	\$ 1,278,507	\$ (38)
Public Improvement Fees	700,000	770,200	796,385	26,185
Net Investment Income	46,360	88,000	79,783	(8,217)
Total Revenues	<u>2,024,867</u>	<u>2,136,745</u>	<u>2,154,675</u>	<u>17,930</u>
EXPENDITURES				
Current:				
County Treasurer's Fee	19,178	19,178	19,178	-
Bond interest - 2010 Series	507,875	507,875	507,875	-
Bond interest - 2016 Series	304,525	304,525	304,525	-
Bond principal - 2010 Series	110,000	110,000	110,000	-
Bond principal - 2016 Series	25,000	25,000	25,000	-
Contingency	5,422	-	-	-
Total Expenditures	<u>972,000</u>	<u>966,578</u>	<u>966,578</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,052,867	1,170,167	1,188,097	17,930
OTHER FINANCING SOURCES (USES)				
Transfers from (to) Other Funds	-	(3,273,161)	(3,075,242)	197,919
Total Other Financing Sources (Uses)	<u>-</u>	<u>(3,273,161)</u>	<u>(3,075,242)</u>	<u>197,919</u>
NET CHANGE IN FUND BALANCE	1,052,867	(2,102,994)	(1,887,145)	215,849
Fund Balance - Beginning of Year	<u>2,578,223</u>	<u>2,738,629</u>	<u>2,738,629</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,631,090</u>	<u>\$ 635,635</u>	<u>\$ 851,484</u>	<u>\$ 215,849</u>

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DECEMBER 31, 2019**

	Budgets		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Accounting	-	-	726	(726)
Engineering	-	-	1,500	(1,500)
Capital Improvements:				
Capital outlay	-	1,483,575	1,480,019	3,556
Total Expenditures	-	1,483,575	1,482,245	1,330
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,483,575)	(1,482,245)	1,330
OTHER FINANCING SOURCES (USES)				
Developer Advances	-	1,483,575	1,480,019	(3,556)
Repayment of Developer Advance	-	(3,036,425)	(3,026,451)	9,974
Transfers from (to) Other Funds	-	3,036,425	3,028,677	(7,748)
Total Other Financing Sources (Uses)	-	1,483,575	1,482,245	(1,330)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -	\$ -

OTHER INFORMATION

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2019**

Year Ending December 31,	\$6,500,000 Series 2010 General Obligation Refunding Bonds Dated December 3, 2010 Interest Rate 8.50% Principal and Interest Due December 1		\$4,765,000 Series 2016 Limited Tax General Obligation Bonds Dated June 8, 2016 Interest Rate 6.50% Principal and Interest Due December 1		Total All Bonds
	Principal	Interest	Principal	Interest	
2020	\$ 120,000	\$ 498,525	\$ 30,000	\$ 302,900	\$ 951,425
2021	130,000	488,325	30,000	300,950	949,275
2022	140,000	477,275	35,000	299,000	951,275
2023	150,000	465,375	35,000	296,725	947,100
2024	165,000	452,625	40,000	294,450	952,075
2025	180,000	438,600	40,000	291,850	950,450
2026	195,000	423,300	45,000	289,250	952,550
2027	210,000	406,725	45,000	286,325	948,050
2028	230,000	388,875	50,000	283,400	952,275
2029	250,000	369,325	50,000	280,150	949,475
2030	270,000	348,075	55,000	276,900	949,975
2031	290,000	325,125	60,000	273,325	948,450
2032	315,000	300,475	60,000	269,425	944,900
2033	345,000	273,700	70,000	265,525	954,225
2034	375,000	244,375	70,000	260,975	950,350
2035	405,000	212,500	70,000	256,425	943,925
2036	355,000	178,075	165,000	251,875	949,950
2037	385,000	147,900	180,000	241,150	954,050
2038	415,000	115,175	185,000	229,450	944,625
2039	450,000	79,900	200,000	217,425	947,325
2040	490,000	41,650	210,000	204,425	946,075
2041	-	-	515,000	190,775	705,775
2042	-	-	550,000	157,300	707,300
2043	-	-	585,000	121,550	706,550
2044	-	-	620,000	83,525	703,525
2045	-	-	665,000	43,225	708,225
Total	<u>\$ 5,865,000</u>	<u>\$ 6,675,900</u>	<u>\$ 4,660,000</u>	<u>\$ 6,268,275</u>	<u>\$ 23,469,175</u>

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2019**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	Mills Levied	Total Property Taxes		Percent Collected to Levied
			Levied	Collected	
2015	\$ 13,366,930	51.000	\$ 681,713	\$ 681,713	100.00 %
2016	13,569,270	51.000	692,033	599,874	86.68
2017	15,029,140	57.089 (1)	857,998	858,818	100.10
2018	22,338,180	51.000	1,139,247	1,134,824	99.61
2019	25,406,250	51.329 (2)	1,304,077	1,304,077	100.00
Estimated for the Year Ending December 31, 2020	\$ 26,518,520	51.000	\$ 1,352,445		

Notes:

- (1) Includes a levy of 6.089 for collection of refunds and abatements from the prior year.
- (2) Includes a levy of 0.329 for collection of refunds and abatements from the prior year.

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