

TRANSPORT METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**TRANSPORT METROPOLITAN DISTRICT NO. 2
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 30,388	\$ -	\$ -
REVENUES			
Property taxes	39,431	162,661	208,851
Specific ownership taxes	2,894	3,255	14,619
Interest income	126	1,814	300
Contingency	-	-	10,000
Total revenues	<u>42,451</u>	<u>167,730</u>	<u>233,770</u>
EXPENDITURES			
General Fund	72,839	167,730	233,770
Total expenditures	<u>72,839</u>	<u>167,730</u>	<u>233,770</u>
Total expenditures and transfers out requiring appropriation	<u>72,839</u>	<u>167,730</u>	<u>233,770</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EMERGENCY RESERVE	<u>\$ 1,300</u>	<u>\$ 5,100</u>	<u>\$ 7,100</u>
TOTAL RESERVE	<u>\$ 1,300</u>	<u>\$ 5,100</u>	<u>\$ 7,100</u>

No assurance is provided. See summary of significant assumptions.

TRANSPORT METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/4/22

ACTUAL	ESTIMATED	BUDGET
2020	2021	2022

ASSESSED VALUATION

Commercial	\$ -	\$ -	\$ 44,950
Oil and Gas	563,300	1,805,110	1,708,790
State assessed	-	-	7,240
Vacant land	40	-	-
Personal property	-	-	1,128,000
Agricultural	-	-	94,600
Certified Assessed Value	\$ 563,340	\$ 1,805,110	\$ 2,983,580

MILL LEVY

General	70.000	70.000	70.000
Total mill levy	70.000	70.000	70.000

PROPERTY TAXES

General	\$ 39,434	\$ 126,358	\$ 208,851
Levied property taxes	39,434	126,358	208,851
Adjustments to actual/rounding	(3)	(9,393)	-
Refunds and abatements	-	45,696	-
Budgeted property taxes	\$ 39,431	\$ 162,661	\$ 208,851

BUDGETED PROPERTY TAXES

General	\$ 39,431	\$ 162,661	\$ 208,851
	\$ 39,431	\$ 162,661	\$ 208,851

No assurance is provided. See summary of significant assumptions.

**TRANSPORT METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 30,388	\$ -	\$ -
REVENUES			
Property taxes	39,431	162,661	208,851
Specific ownership taxes	2,894	3,255	14,619
Interest income	126	1,814	300
Other revenue	-	-	10,000
Total revenues	<u>42,451</u>	<u>167,730</u>	<u>233,770</u>
EXPENDITURES			
General and administrative			
Banking fees	-	100	260
Contingency	-	-	10,000
County Treasurer's fee	593	2,500	3,132
Transfer to District No. 1	72,246	161,830	220,378
Transfer to District No. 3	-	3,200	-
Transfer to District No. 4	-	100	-
Total expenditures	<u>72,839</u>	<u>167,730</u>	<u>233,770</u>
Total expenditures and transfers out requiring appropriation	<u>72,839</u>	<u>167,730</u>	<u>233,770</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EMERGENCY RESERVE	<u>1,300</u>	<u>5,100</u>	<u>7,100</u>
TOTAL RESERVE	<u><u>1,300</u></u>	<u><u>5,100</u></u>	<u><u>7,100</u></u>

No assurance is provided. See summary of significant assumptions.

**TRANSPORT METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

TransPort Metropolitan District No. 2, (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, which is located in the City of Aurora was organized on November 7, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

It is anticipated that Transport Metro Districts Nos. 1-15 will collectively undertake the financing and construction of certain public improvements within and without the boundaries of the Districts. The service plans authorize the Districts to enter into certain intergovernmental cost sharing and recovery agreements which govern the relationships between and among the Districts with respect to financing, construction, and operation of the public improvements. These services will be determined through the Coordinating Services Agreement.

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 C.R.S 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 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 District's 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. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

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

**TRANSPORT METROPOLITAN DISTRICT NO. 2
2022 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 7.00% of the property taxes collected by both the General Fund and the Debt Service Fund.

Interest Income

For Budget year 2022, the interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.00%

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections for the budget year 2022.

Transfer to Transport Metro District No. 1

Pursuant to the District Coordinating Services Agreement dated November 20, 2019, Transport Metro District No.1 will provide certain operation, maintenance, and administrative services benefiting the District and Transport Metro District Nos 3-4 (collectively "Districts"). The Districts will pay all of costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to Transport Metro District No. 1.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Transport Metro District No. 1, which pays for all of the Districts' operations, maintenance and administrative costs, an Emergency Reserve is not reflected in the District's budget.

This information is an integral part of the accompanying budget.