

TRANSPORT METROPOLITAN DISTRICT NO. 3

FINANCIAL STATEMENTS

DECEMBER 31, 2021

TRANSPORT METROPOLITAN DISTRICT NO. 3
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	Debt Service	Capital Projects	Total
ASSETS				
Cash - Checking	\$ 3,872	\$ -	\$ -	\$ 3,872
UMB - Bond Fund	-	8,962,871	-	8,962,871
UMB - Surplus Fund	-	8,070,652	-	8,070,652
UMB - Project Fund	-	-	53,998,364	53,998,364
Receivable from County Treasurer	16	-	-	16
Property Tax receivable	309	1,266	-	1,575
TOTAL ASSETS	\$ 4,197	\$ 17,034,789	\$ 53,998,364	\$ 71,037,350
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
CURRENT LIABILITIES				
Due to District No. 1	\$ 3,888	\$ -	\$ 777,194	\$ 781,082
Total Liabilities	3,888	-	777,194	781,082
 DEFERRED INFLOWS OF RESOURCES				
Deferred property tax	309	1,266	-	1,575
Total Deferred Inflows of Resources	309	1,266	-	1,575
 FUND BALANCES				
Total Fund Balances	-	17,033,523	53,221,170	70,254,693
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 \$ 4,197	 \$ 17,034,789	 \$ 53,998,364	 \$ 71,037,350

No assurance provided. See summary of significant assumptions.

TRANSPORT METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021

GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Property taxes	\$ 2,989	\$ 2,989	\$ -
Specific ownership taxes	240	219	(21)
Interest income	-	106	106
Transfer from District No. 2	-	3,200	3,200
TOTAL REVENUES	<u>3,229</u>	<u>6,514</u>	<u>3,285</u>
EXPENDITURES			
County Treasurer's fee	45	-	45
Transfer to District No. 1	3,184	6,441	(3,257)
Banking fees	-	73	(73)
TOTAL EXPENDITURES	<u>3,229</u>	<u>6,514</u>	<u>(3,285)</u>
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SUPPLEMENTARY INFORMATION

TRANSPORT METROPOLITAN DISTRICT NO. 3
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021

DEBT SERVICE FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Interest income	\$ 129,900	\$ 1,582	\$ (128,318)
TOTAL REVENUES	<u>129,900</u>	<u>1,582</u>	<u>(128,318)</u>
EXPENDITURES			
Bond interest - Series 2021 A-1	3,579,114	3,320,922	258,192
Paying agent fees	6,000	-	6,000
TOTAL EXPENDITURES	<u>3,585,114</u>	<u>3,320,922</u>	<u>264,192</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,455,214)	(3,319,340)	135,874
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	20,902,238	20,352,863	(549,375)
TOTAL OTHER FINANCING SOURCES (USES)	<u>20,902,238</u>	<u>20,352,863</u>	<u>(549,375)</u>
NET CHANGE IN FUND BALANCES	17,447,024	17,033,523	(413,501)
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	<u>\$ 17,447,024</u>	<u>\$ 17,033,523</u>	<u>\$ (413,501)</u>

TRANSPORT METROPOLITAN DISTRICT NO. 3
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021

CAPITAL PROJECTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Interest income	\$ 251,250	\$ 5,201	\$ (246,049)
Bond Issuance - Series 2021 A-1	73,955,000	82,745,000	8,790,000
Bond Issuance - Series 2021 A-2	16,149,492	11,476,725	(4,672,767)
Bond premium	-	944,483	944,483
TOTAL REVENUES	<u>90,355,742</u>	<u>95,171,409</u>	<u>4,815,667</u>
EXPENDITURES			
Bond issue costs	2,202,253	2,292,337	(90,084)
Transfer to District No. 1	-	19,305,039	(19,305,039)
Capital outlay	<u>67,251,251</u>	<u>-</u>	<u>67,251,251</u>
TOTAL EXPENDITURES	<u>69,453,504</u>	<u>21,597,376</u>	<u>47,856,128</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	20,902,238	73,574,033	52,671,795
OTHER FINANCING SOURCES (USES)			
Transfers to other fund	<u>(20,902,238)</u>	<u>(20,352,863)</u>	<u>549,375</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(20,902,238)</u>	<u>(20,352,863)</u>	<u>549,375</u>
NET CHANGE IN FUND BALANCES	-	53,221,170	53,221,170
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 53,221,170</u>	<u>\$ 53,221,170</u>

TRANSPORT METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

SERVICES PROVIDED

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

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 6% of the property taxes collected by the General Fund.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Net Investment Income

Net investment income earned on the District’s available funds has been estimated based on an average interest rate of .15%

Expenditures

County Treasurer’s Fees

County Treasurer’s fees have been computed at 1.5% of property tax collections.

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 2 and 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.

Capital Outlay

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

Debt and Leases

In 2021, the District anticipates issuing \$73,955,000 in Series 2021 A-1 Bonds with an expected interest rate of approximately 5.75% and \$16,149,492 in Series 2021 A-2 Convertible Capital Appreciation Bonds that accrete at a rate of approximately 6.25%, which will convert to current interest Bonds on December 1, 2027 with an interest rate of 6.25%.

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.

Debt Service Reserves

The District is required to maintain debt service reserves in accordance with the 2021 Bonds issuance. These reserves have been established in the Debt Service Fund.

This information is an integral part of the accompanying budget.

Debt Service Requirements

Set forth in the following table are the debt service requirements for the Bonds.

TABLE I
Debt Service Requirements ¹

Year	2021A-1 Bonds		2021A-2 Bonds		Annual Total
	Principal	Interest ²	Principal ³	Interest ⁴	
2021	--	\$ 3,320,922	--	--	\$ 3,320,922
2022	--	4,094,288	--	--	4,094,288
2023	--	4,094,288	--	--	4,094,288
2024	--	4,094,288	--	--	4,094,288
2025	--	4,094,288	--	--	4,094,288
2026	--	4,094,288	--	\$ 819,500	4,913,788
2027	--	4,094,287	--	819,500	4,913,787
2028	\$ 440,000	4,094,287	\$ 40,000	819,500	5,393,787
2029	1,100,000	4,076,137	165,000	817,300	6,158,437
2030	1,650,000	4,030,762	270,000	808,225	6,758,987
2031	1,720,000	3,962,700	285,000	793,375	6,761,075
2032	1,905,000	3,891,750	320,000	777,700	6,894,450
2033	1,995,000	3,796,500	340,000	760,100	6,891,600
2034	2,215,000	3,696,750	380,000	741,400	7,033,150
2035	2,325,000	3,586,000	405,000	720,500	7,036,500
2036	2,560,000	3,469,750	445,000	698,225	7,172,975
2037	2,685,000	3,341,750	470,000	673,750	7,170,500
2038	2,940,000	3,207,500	520,000	647,900	7,315,400
2039	3,090,000	3,060,500	545,000	619,300	7,314,800
2040	3,365,000	2,906,000	600,000	589,325	7,460,325
2041	3,535,000	2,737,750	630,000	556,325	7,459,075
2042	3,835,000	2,561,000	695,000	521,675	7,612,675
2043	4,030,000	2,369,250	730,000	483,450	7,612,700
2044	4,360,000	2,167,750	795,000	443,300	7,766,050
2045	4,575,000	1,949,750	835,000	399,575	7,759,325
2046	4,935,000	1,721,000	910,000	353,650	7,919,650
2047	5,180,000	1,474,250	960,000	303,600	7,917,850
2048	5,575,000	1,215,250	1,035,000	250,800	8,076,050
2049	5,855,000	936,500	1,095,000	193,875	8,080,375
2050	6,280,000	643,750	1,185,000	133,650	8,242,400
2051	<u>6,595,000</u>	<u>329,750</u>	<u>1,245,000</u>	<u>68,475</u>	<u>8,238,225</u>
Total	<u>\$82,745,000</u>	<u>\$93,113,035</u>	<u>\$14,900,000</u>	<u>\$14,813,975</u>	<u>\$205,572,010</u>

¹ Assumes mandatory sinking fund payments are made but assumes no optional or mandatory extraordinary redemptions prior to maturity. Figures have been rounded.

² The interest on the 2021A-1 Bonds through December 1, 2023 and a portion of the interest on the 2021A-1 Bonds due June 1, 2024 will be paid with capitalized interest. See "Estimated Sources and Uses of Funds" above.

³ Represents the Accreted Value at maturity of each sinking fund redemption after the end of the Accretion Period on December 1 of each year indicated.

⁴ Represents current interest payable after the end of the Accretion Period.

Source: The Underwriter

TransPort Metropolitan District No. 3
Schedule of Cash Position
December 31, 2021
Updated as of January 14, 2022

	General Fund	Debt Service Fund	Capital Projects Fund	Total
<u>Vectra Bank - Checking Account xx8364</u>				
Balance as of 12/31/21	3,871.77	-	-	3,871.77
Subsequent activities:		-	-	-
Available Balances	3,871.77	-	-	3,871.77
<i>Anticipated Activities</i>				
1/10/22 Adams County Ptax - Nov	16.39	-	-	16.39
Anticipated Balances	3,888.16	-	-	3,888.16
<u>UMB - Bond Fund 155055.1</u>				
Balance as of 12/31/21	-	8,962,870.52	-	8,962,870.52
Available Balances	-	8,962,870.52	-	8,962,870.52
<u>UMB - Surplus Fund 155055.2</u>				
Balance as of 12/31/21	-	8,070,651.95	-	8,070,651.95
Available Balances	-	8,070,651.95	-	8,070,651.95
<u>UMB - Project Fund 155055.3</u>				
Balance as of 12/31/21	-	-	53,998,364.34	53,998,364.34
Subsequent activities:				-
Available Balances	-	-	53,998,364.34	53,998,364.34
<i>Anticipated Activities</i>				
1/20/22 Requisition No.19 - TMD No.1	-	-	(728,858.55)	(728,858.55)
1/20/22 Requisition No.20 - TMD No.1	-	-	(48,335.88)	(48,335.88)
Anticipated Balances	-	-	53,221,169.91	53,221,169.91
Available Balances	3,871.77	17,033,522.47	53,998,364.34	71,035,758.58
Anticipated Balances	3,888.16	17,033,522.47	53,221,169.91	70,258,564.15

UMB Daily Yield as of 12/31/21 0.01

**TransPort Metropolitan District No. 3
Property Taxes Reconciliation
2021**

	Current Year							Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 15.41	\$ -	\$ -	\$ 15.41	0.00%	0.00%	\$ -	0.00%	0.00%
February	-	-	19.94	-	-	19.94	0.00%	0.00%	-	0.00%	0.00%
March	-	-	17.27	-	-	17.27	0.00%	0.00%	\$ 2,635.99	93.03%	93.03%
April	-	-	21.36	-	-	21.36	0.00%	0.00%	\$ 18.92	0.35%	93.38%
May	366.50	-	18.68	-	-	385.18	12.26%	12.26%	\$ 20.92	0.00%	93.38%
June	-	-	15.61	-	-	15.61	0.00%	12.26%	\$ 13.26	0.00%	93.38%
July	-	-	16.59	-	-	16.59	0.00%	12.26%	\$ 18.60	0.00%	93.38%
August	2,622.50	-	20.01	105.31	-	2,747.82	87.74%	100.00%	\$ 18.28	0.00%	93.38%
September	-	-	21.88	-	-	21.88	0.00%	100.00%	\$ 18.14	0.00%	93.38%
October	-	-	17.93	-	-	17.93	0.00%	100.00%	\$ 17.25	0.00%	93.38%
November	-	-	18.40	-	-	18.40	0.00%	100.00%	\$ 17.98	0.00%	93.38%
December	-	-	16.39	-	-	16.39	0.00%	100.00%	\$ 14.40	0.00%	93.38%
Total	\$ 2,989.00	\$ -	\$ 219.47	\$ 105.31	\$ -	\$ 3,313.78	100.00%	100.00%	\$ 2,793.74	93.38%	93.38%

	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
<u>Property Tax</u>				
General Fund 50.000 mills	\$ 2,989.00	100.00%	\$ 2,989.00	100.00%
	<u>\$ 2,989.00</u>	<u>100.00%</u>	<u>\$ 2,989.00</u>	<u>100.00%</u>
<u>Specific Ownership Tax</u>				
General Fund	\$ 240.00	100.00%	\$ 219.47	91.45%
	<u>\$ 240.00</u>	<u>100.00%</u>	<u>\$ 219.47</u>	<u>91.45%</u>
<u>Treasurer's Fees</u>				
General Fund	\$ 45.00	100.00%	\$ -	0.00%
	<u>\$ 45.00</u>	<u>100.00%</u>	<u>\$ -</u>	<u>0.00%</u>

No assurance provided. See summary of significant assumptions.