

TRANSPORT METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

TRANSPORT METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	172,054	208,851	246,464
Specific ownership taxes	3,288	14,619	17,252
Interest income	1,334	-	-
Other revenue	-	-	1,284
Total revenues	<u>176,676</u>	<u>223,470</u>	<u>265,000</u>
EXPENDITURES			
General and administrative			
Banking fees	43	-	-
Contingency	-	-	1,284
County Treasurer's fee	2,601	3,133	3,697
Transfer to District No. 1	170,732	220,337	260,019
Transfer to District No. 3	3,200	-	-
Transfer to District No. 4	100	-	-
Total expenditures	<u>176,676</u>	<u>223,470</u>	<u>265,000</u>
Total expenditures and transfers out requiring appropriation	<u>176,676</u>	<u>223,470</u>	<u>265,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided. See summary of significant assumptions.

TRANSPORT METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

ASSESSED VALUATION

Commercial	\$ -	\$ 44,950	\$ 44,950
Oil and Gas	1,805,110	1,708,790	2,305,980
State assessed	-	7,240	3,530
Personal property	-	1,128,000	1,080,360
Agricultural	-	94,600	86,090
Certified Assessed Value	\$ 1,805,110	\$ 2,983,580	\$ 3,520,910

MILL LEVY

General	70.000	70.000	70.000
Total mill levy	70.000	70.000	70.000

PROPERTY TAXES

General	\$ 126,358	\$ 208,851	\$ 246,464
Levied property taxes	126,358	208,851	246,464
Refunds and abatements	45,696	-	-
Budgeted property taxes	\$ 172,054	\$ 208,851	\$ 246,464

BUDGETED PROPERTY TAXES

General	\$ 172,054	\$ 208,851	\$ 246,464
	\$ 172,054	\$ 208,851	\$ 246,464

No assurance is provided. See summary of significant assumptions.

**TRANSPORT METROPOLITAN DISTRICT NO. 2
2023 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. 1-4 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 an 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.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**TRANSPORT METROPOLITAN DISTRICT NO. 2
2023 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.

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections for the budget year 2023.

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 benefitting 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.