

TRANSPORT METROPOLITAN DISTRICT NO. 3

FINANCIAL STATEMENTS

JUNE 30, 2023

Transport Metro District No. 3
Balance Sheet - Governmental Funds
June 30, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assets				
Checking Account	\$ 4,345.77	\$ 1,869.81	\$ -	\$ 6,215.58
UMB Bond Fund	-	2,973,150.44	-	2,973,150.44
UMB Surplus Fund	-	8,299,275.25	-	8,299,275.25
UMB Project Fund	-	-	566.83	566.83
Receivable from County Treasurer	1.75	7.27	-	9.02
Total Assets	<u>\$ 4,347.52</u>	<u>\$ 11,274,302.77</u>	<u>\$ 566.83</u>	<u>\$ 11,279,217.12</u>
Liabilities				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Transport MD1	4,347.52	-	-	4,347.52
Total Liabilities	<u>4,347.52</u>	<u>-</u>	<u>-</u>	<u>4,347.52</u>
Fund Balances	<u>-</u>	<u>11,274,302.77</u>	<u>566.83</u>	<u>11,274,869.60</u>
Liabilities and Fund Balances	<u>\$ 4,347.52</u>	<u>\$ 11,274,302.77</u>	<u>\$ 566.83</u>	<u>\$ 11,279,217.12</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Transport Metro District No. 3
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 329.00	\$ 115.62	\$ 213.38
Specific ownership taxes	23.00	10.60	12.40
Interest income	10.00	-	10.00
Other revenue	2,638.00	-	2,638.00
Total Revenue	<u>3,000.00</u>	<u>126.22</u>	<u>2,873.78</u>
Expenditures			
County Treasurer's fee	5.00	0.81	4.19
Contingency	2,638.00	-	2,638.00
Transfers to Transport MD1	357.00	125.41	231.59
Total Expenditures	<u>3,000.00</u>	<u>126.22</u>	<u>2,873.78</u>
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

Transport Metro District No. 3
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 1,316.00	\$ 461.81	\$ 854.19
ARI - Aurora Regional Improvement Tax	33.00	12.13	20.87
Specific ownership taxes	92.00	43.34	48.66
Interest income	145,199.00	256,588.33	(111,389.33)
Total Revenue	<u>146,640.00</u>	<u>257,105.61</u>	<u>(110,465.61)</u>
Expenditures			
County Treasurer's fee	20.00	3.32	16.68
Paying agent fees	6,000.00	6,000.00	-
Bond interest	4,094,288.00	2,047,143.75	2,047,144.25
Contingency	9,692.00	-	9,692.00
Total Expenditures	<u>4,110,000.00</u>	<u>2,053,147.07</u>	<u>2,056,852.93</u>
Net Change in Fund Balances	(3,963,360.00)	(1,796,041.46)	(2,167,318.54)
Fund Balance - Beginning	13,027,087.00	13,070,344.23	16,984,098.77
Fund Balance - Ending	<u>\$ 9,063,727.00</u>	<u>\$ 11,274,302.77</u>	<u>\$ 14,816,780.23</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

Transport Metro District No. 3
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest income	\$ 25,000.00	\$ 23,301.26	\$ 1,698.74
Total Revenue	<u>25,000.00</u>	<u>23,301.26</u>	<u>1,698.74</u>
Expenditures			
Transfers to Transport MD1	2,156,506.00	1,086,966.91	1,069,539.09
Total Expenditures	<u>2,156,506.00</u>	<u>1,086,966.91</u>	<u>1,069,539.09</u>
Net Change in Fund Balances	(2,131,506.00)	(1,063,665.65)	(1,067,840.35)
Fund Balance - Beginning	2,131,506.00	1,064,232.48	54,336,779.52
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 566.83</u>	<u>\$ 53,268,939.17</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

TransPort Metropolitan District No. 3
Schedule of Cash Position
June 30, 2023
Updated as of July 15, 2023

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<u>Vectra Bank - Checking Account xx8364</u>				
Balance as of 06/30/23	\$ 4,345.77	\$ 1,869.81	\$ -	\$ 6,215.58
Subsequent activities:				
07/10/23 Adams County Ptax (May)	1.75	7.19	-	8.94
Available Balance	4,347.52	1,877.00	-	6,224.52
<i>Anticipated Activities</i>				
Transfer Revenue Due to TMD#1	(4,347.52)	-	-	(4,347.52)
Anticipated Balance	-	1,877.00	-	1,877.00
<u>UMB - Bond Fund 155055.1</u>				
Balance as of 06/30/23	-	2,973,150.44	-	2,973,150.44
Available Balance	-	2,973,150.44	-	2,973,150.44
<u>UMB - Surplus Fund 155055.2</u>				
Balance as of 06/30/23	-	8,299,275.25	-	8,299,275.25
Available Balance	-	8,299,275.25	-	8,299,275.25
<u>UMB - Project Fund 155055.3</u>				
Balance as of 06/30/23	-	-	566.83	566.83
Available Balance	-	-	566.83	566.83
Anticipated Balances	\$ -	\$ 11,274,302.69	\$ 566.83	\$ 11,274,869.52

UMB Daily Yield as of 06/30/23 4.40%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**TransPort Metropolitan District No. 3
Property Taxes Reconciliation
2023**

	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	\$ -	\$ -	\$ 8.63	\$ -	\$ -	\$ 8.63	0.00%	0.00%	\$ 15.62	0.00%	0.00%	
February	-	-	9.21	-	-	9.21	0.00%	0.00%	-	0.00%	0.00%	
March	314.67	-	9.55	-	-	324.22	18.75%	18.75%	-	0.00%	0.00%	
April	274.89	-	0.47	-	(4.13)	271.23	16.38%	35.13%	1,574.88	99.99%	99.99%	
May	-	-	17.14	-	-	17.14	0.00%	35.13%	-	0.00%	99.99%	
June	-	-	8.94	-	-	8.94	0.00%	35.13%	-	0.00%	99.99%	
July	-	-	-	-	-	-	0.00%	35.13%	-	0.00%	99.99%	
August	-	-	-	-	-	-	0.00%	35.13%	-	0.00%	99.99%	
September	-	-	-	-	-	-	0.00%	35.13%	77.89	0.00%	99.99%	
October	-	-	-	-	-	-	0.00%	35.13%	9.92	0.00%	99.99%	
November	-	-	-	-	-	-	0.00%	35.13%	9.41	0.00%	99.99%	
December	-	-	-	-	-	-	0.00%	35.13%	9.27	0.00%	99.99%	
Total	\$ 589.56	\$ -	\$ 53.94	\$ -	\$ (4.13)	\$ 639.37	35.13%	35.13%	\$ 1,696.99	99.99%	99.99%	

	Assessed Value/Mills	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
Property Tax	32,910				
General Fund	10.000 mills	\$ 329.00	19.61%	115.61	35.14%
Debt Service Fund	40.000 mills	\$ 1,316.00	78.42%	462.33	35.13%
ARI	1.000 mills	\$ 33.00	1.97%	11.61	35.19%
		\$ 1,678.00	100.00%	\$ 589.56	35.13%
Specific Ownership Tax					
General Fund		\$ 23.00	19.61%	\$ 10.58	45.99%
Debt Service Fund		92.00	80.39%	43.36	47.13%
		\$ 115.00	100.00%	\$ 53.94	46.90%
Treasurer's Fees					
General Fund		\$ 5.00	19.61%	\$ 0.81	16.20%
Debt Service Fund		20.00	80.39%	3.32	0.00%
		\$ 25.00	100.00%	\$ 4.13	16.52%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
2023 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 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 is displayed 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%.

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
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 the General Fund.

Net Investment Income

Net investment income earned on the District's available funds has been estimated based on an average interest rate of .156%

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% 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 Districts No(s) 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 issued \$82,745,000 in Series 2021 A-1 General Obligation Limited Tax Bonds with an interest rate of 4.125% and 5.000% and \$11,476,725 in Series 2021 A-2 General Obligation Limited Tax Convertible Capital Appreciation Bonds that accrete at a rate of 5.500%, and which will convert to current interest Bonds on December 1, 2025, when the issue will cease to be capital appreciation bonds and automatically convert to current interest bonds.

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.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves (Continued)

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.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
DEBT SERVICE REQUIREMENTS TO MATURITY
2023 BUDGET**

<u>Year Ending</u> <u>December 31,</u>	\$82,745,000 General Obligation Limited Tax Bonds Series 2021A-1		\$14,900,000 General Obligation Convertible Capital Appreciation Bonds Series 2021A-2		Annual Total
	Principal	Interest	Principal	Interest	
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	6,595,000	329,750	1,245,000	68,475	8,238,225
Total	\$ 82,745,000	\$ 85,697,825	\$ 14,900,000	\$ 14,813,975	\$ 198,156,800

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.